

MARKET STUDY

RICHMOND SUMMIT
744 Broad St
Augusta, Georgia 30901
CBRE, Inc. File No. CB22US040633-1

Nick Boehm
REDWOOD HOUSING
3101 Bee Caves Road, Suite 220
Austin, Texas 78746

www.cbre.com/valuation

CBRE

April 29, 2022

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Austin, Texas 78746

RE: Market study of Richmond Summit
744 Broad St
Augusta, Georgia 30901
CBRE, Inc. File No. CB22US040633-1

Dear Mr. Boehm:

At your request and authorization, CBRE, Inc. has prepared an application market study of the above referenced property.

The purpose of this market study is to assess the viability of the existing 135-unit Section 8/LIHTC senior multifamily development known as Richmond Summit that is proposed for LIHTC renovations. Following renovations using the LIHTC program, the property will continue to be restricted to households earning 60 percent of the Area Median Income (AMI), or less. In addition, all 135 units will continue to benefit from a HAP contract post renovation.

The following scope of work is provided by The Georgia Department of Community Affairs (DCA):

- Executive Summary
- Project Description
- Site Evaluation
- Market Area
- Community Demographic Area
- Employment Trends
- Project-Specific Affordability & Demand Analysis
- Competitive Rental Analysis (Existing Competitive Rental Environment)
- Absorption & Stabilization Rates
- Interviews
- Conclusions & Recommendations

Nick Boehm
April 29, 2022

The intended use and user of our report are specifically identified in our report as agreed upon in our contract for services and/or reliance language found in the report. As a condition to being granted the status of an intended user, any intended user who has not entered into a written agreement with CBRE in connection with its use of our report agrees to be bound by the terms and conditions of the agreement between CBRE and the client who ordered the report. No other use or user of the report is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended users does not extend reliance to any such party, and CBRE will not be responsible for any unauthorized use of or reliance upon the report, its conclusions or contents (or any portion thereof).

The authors of this report certify that there exists no identity of interest between the analysts and the entity for which the report is prepared, the applicant or its principals (general partners, members, etc.). The recommendations and conclusions are based solely on the professional opinions and best efforts of the analysts. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market. DCA may rely on the representation made in the market study.

It has been a pleasure to assist you in this assignment. If you have any questions concerning the analysis, or if CBRE can be of further service, please contact us.

Respectfully submitted,

CBRE - VALUATION & ADVISORY SERVICES



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Executive Summary

Project Description

The subject is a 135-unit multi-family high-rise located at 744 Broad Street in Augusta, Georgia. The property consists of a single-eight story residential apartment building with ground floor retail space. The improvements were constructed in 1923 and are located on a 0.465-acre site. The property will be renovated with \$120,000 per unit hard costs with an estimated completion date of December 2024. The property offers 129 one and 6 two-bedroom units and targets seniors 62 and older.

The following table illustrates the proposed unit mix and proposed post renovation rents.

PROPOSED RENTS									
Type	No. of Units	Unit Size (SF)	Unit Occ.	Net LIHTC Rents \$/Unit	Utility Allowance \$/Unit	Gross LIHTC Rents \$/Unit	CBRE's Achievable As Is Market Rents \$/Unit	CBRE's Proposed Post Renovation Market Rents \$/Unit	Net Rent Per SF
1BR/1BA 60%/HAP	129	607 SF	98%	\$834	\$0	\$834	\$895	\$1,040	\$1.71
2BR/1BA 60%/HAP	6	926 SF	100%	\$1,000	\$0	\$1,000	\$1,120	\$1,275	\$1.38
Total/Average:	135	621 SF	98%	-----				\$1,050	\$1.69

Compiled by CBRE

The subject's units will continue to operate with a Section 8 project-based subsidy post renovation covering all 135 units. Tenants in these units will pay 30 percent of their income towards rent, not to exceed the LIHTC rent limits. Following renovations, the subject's amenity package is considered to be similar to slightly inferior in-unit amenities in comparison to the LIHTC comparables and slightly inferior to inferior to the market-rate comparable properties and generally inferior project amenities. The subject's units offer refrigerators, range/oven, and dishwasher, but does not offer a private balcony/patio or garbage disposal, which the majority of comparables include. Further, the subject offers a clubhouse, service coordination and central laundry but does not offer an exercise facility or barbeque area which the majority of the comparables include. Upon the completion of the proposed renovations, the subject will add Alexa enabled call devices, library, fitness center, business center, service coordinator and non-shelter services. Overall, we believe that the proposed amenities will allow the subject to effectively compete in the market.

Total hard costs have been estimated at \$120,000 per unit, or \$16,200,000 total according to the developer. The scope of renovation will include the following: updated landscaping, new kitchen appliances, countertops and cabinets, flooring, windows, and painting. In addition, the following amenities will be added: free wireless internet, microwaves, Alexa enabled call devices, library, fitness center, business center, service coordinator and non-shelter services. Given the scope of the renovation, the in-unit and project amenities are expected to be competitive with the majority of existing communities in the market area.

Site Description/Evaluation

The subject's site is well suited for multifamily dwelling units. The subject is well situated in downtown Augusta with surrounding multifamily, retail and commercial uses. The subject has frontage along the south side of Broad Street and the north side of Ellis Street. There is good visibility and access. The subject's site is generally level and rectangularly shaped (which is typical of multifamily sites in downtown Augusta). The surrounding uses are in average condition and the site has good proximity to locational amenities which are generally within 0.8 miles from the subject. The project is in a higher crime area according to Trulia.com relative to greater Augusta-Richmond County. Street noise was not noted to be a nuisance by the appraiser during the site inspection, nor were any factors observed in the subject's immediate vicinity that would negatively affect the perceived quality of the neighborhood. We are not aware of any road or infrastructure improvements planned or under construction in the PMA. The subject site is considered comparable to existing communities in the market area with similar access to community amenities and services.

Market Area Definition

We have defined the subject's primary market area (PMA) as the area south of the Savannah River, north and west of Interstate 520 and east of Interstate 20 and Interstate 520.

Richmond County is a county located in the U.S. state of Georgia. As of the 2010 census, the population was 200,549. It is one of the original counties of Georgia, created February 5, 1777. Following an election in 1995, the city of Augusta (the county seat) consolidated governments with Richmond County. The consolidated entity is known as Augusta-Richmond County, or simply Augusta. Richmond County is included in the Augusta-Richmond County, GA-SC Metropolitan Statistical Area. The counties area is approximately 329 square miles and reported a population of 206,607 in 2020 according to the U.S. Census Bureau. The boundaries of the PMA are approximately 7.0 miles to the west, 0.5 miles to the north, 1.0 mile to the east, and approximately 4.1 miles to the south of the subject property. The PMA was defined based on interviews with the property managers at comparable properties and the subject's property manager. We have not considered leakage outside the PMA within our analysis.

Community Demographic Data

The population and number of senior households grew in the PMA between 2010 and 2021, and are expected to continue to grow over the next five years. The senior population of the PMA was 27,113 in 2021 and is expected to grow to 27,494 by 2026.

Renter households are concentrated in the lowest income cohorts, with 65.2% percent of renters in the PMA earning less than \$35,000 annually. The subject will target senior households earning between \$25,020 and \$40,020 for its LIHTC units without the current Section 8 subsidies in place and \$0 to \$40,020 assuming the current Section 8 subsidies are in place. The subject will continue to benefit from its Section 8 Subsidy which subsidizes all 135 of the subject's units. The demographics as well as the subject's current waiting list and historical occupancy suggest significant demand for affordable rental housing in the market.

According to RealtyTrac.com, foreclosures account for 0.11% of properties in Augusta, GA. We did not observe a significant amount of abandoned or boarded up structures in the neighborhood that would impact the marketability of the subject.

Economic Data

The highest employment sectors are health care/social assistance, retail trade and accommodation/food services. Together, these industries comprise 40.5% of all jobs in the PMA.

Many of Augusta’s largest employers are associated with the public, healthcare and education industries. These are stable employment industries and provide a consistent base of employment.

The Augusta-Richmond County, GA-SC, MSA experienced increases in employment overall from 2009 to 2022. Increases occurred in 2013, 2015, 2016, 2017 and 2020. The unemployment rate in the Augusta-Richmond County, GA-SC MSA peaked in 2011 at 11.6% but has gradually decreased to a current unemployment rate of 4.6% in February 2022. This is compared to the national unemployment rate of 3.8% in February 2022 and 3.2% unemployment rate in Georgia during the same period.

According to the Department of Labor, the following companies issued layoffs since January 2018.

EMPLOYMENT CONTRACTIONS - WARN NOTICES				
Augusta Area - 2018 to Present				
Company Name	Location	County	Notice Date	# Affected
CWU Inc Augusta	Augusta	Richmond	4/1/2022	68
PF Changs China Bistro	Augusta	Richmond	9/18/2020	75
Bloomin Brands	Augusta	Richmond	3/15/2020	245
The Family Y of the CSRA	Augusta	Richmond	3/25/2020	221
Beasley Media Group	Augusta	Richmond	4/1/2020	25
Resolute Forest Products	Augusta	Richmond	1/13/2020	150
Ryder System	Augusta	Richmond	1/13/2020	50
Cerner Corporation	Augusta	Richmond	3/31/2019	129
Textron	Augusta	Richmond	1/23/2018	60
Georgia Pacific	Augusta	Richmond	4/30/2018	55
Solo Cup Operating Corporation	Augusta	Richmond	12/31/2018	139

Source: Georgia Department of Labor

We are not aware of any major expansions/additions. Overall, the city of Augusta, GA appears to be performing generally similarly or slightly superior to the state of Georgia and nation. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

Project-Specific Affordability and Demand Analysis

The following table illustrates the demand and capture rates for the subject’s units as proposed.

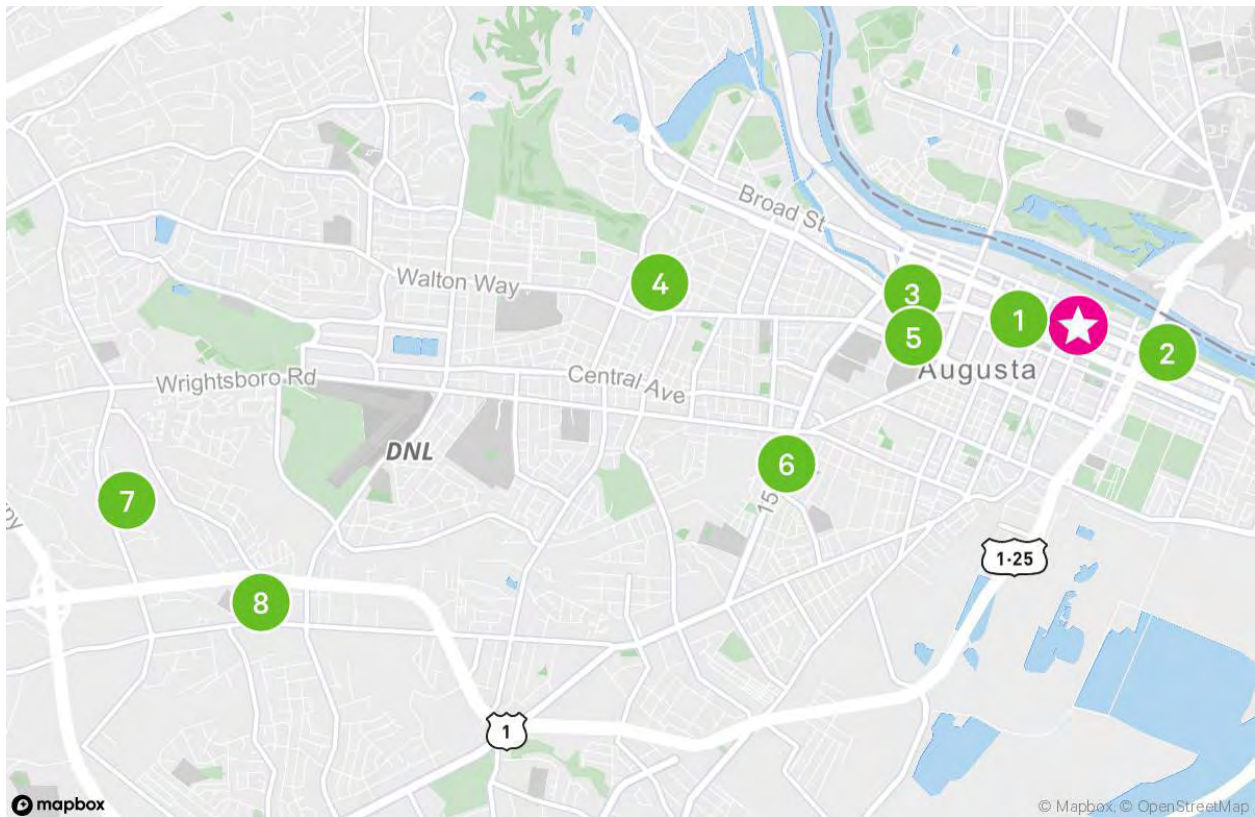
CAPTURE RATE ANALYSIS CHART

Unit Type	Units Proposed	Income Limits		Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR/1BA 60% AMI/HAP	129	\$0	\$35,580	1716	0	1716	7.5%	3 Months	\$967	\$563	\$1,441	\$834
1BR/1BA 60% AMI	129	\$25,020	\$35,580	602	0	602	21.4%	6 Months	\$967	\$563	\$1,441	\$834
2BR/1BA 60% AMI/HAP	6	\$0	\$40,020	589	0	589	1.0%	3 Months	\$1,116	\$640	\$1,603	\$1,000
2BR/1BA 60% AMI	6	\$30,000	\$40,020	224	0	224	2.7%	6 Months	\$1,116	\$640	\$1,603	\$1,000
Overall - With Subsidy	135	0	\$40,020	2305	0	2305	5.9%	3 Months				
Overall - Without Subsidy	135	\$25,020	\$40,020	826	0	826	16.4%	6 Months				

Per Georgia DCA guidelines, capture rates below 30% for projects in urban markets such as the PMA are considered acceptable. Given the subject’s low capture rate of 5.9% the project is considered acceptable. Further, the strong waiting lists, occupancy, and low capture rate indicate the strong need for additional affordable housing in this market, particularly subsidized housing such as the subject property.

Competitive Rental Analysis

Comparable properties are examined on the basis of physical characteristics, i.e. building type, age/quality, level of common amenities, absorption, as well as similarity in rent. We identified the following comparable properties.



COMPARABLE RENTAL PROPERTIES

Map ID	Project Name	Year Built	Total Units	Occ. Rate	Distance to Subject	Waiting List	Target Market
1	Cobb House Apartments	1917	21	94%	0.4 Miles	No	Market
2	Broadway Apartments	1917	40	88%	0.6 Miles	No	Market
3	Enterprise Mill	1855/1999	60	93%	1.0 Miles	No	Market
4	Terraces at Summerville	1972	120	96%	2.6 Miles	No	Market
5	Canalside	2015	106	94%	1.0 Miles	No	Market
6	Legacy at Walton Green Senior LIHTC	2018	170	99%	2.0 Miles	Yes	Low Income Seniors (60% AMI)
7	Gardens at Harvest Point	2018	256	100%	5.9 Miles	Yes	Low Income Seniors (60% AMI)
8	The Terraces at Edinburgh	2010	72	100%	5.3 Miles	Yes	Low Income Seniors (60% AMI)

Compiled by CBRE

The availability of senior oriented, non-subsidized LIHTC properties in the subject’s PMA is considered adequate. As such, we have included three affordable senior properties within the PMA. Additionally the availability of comparable market rate developments is considered adequate. As such, we have included five market rate developments within the PMA.

We note the subject is currently benefiting from a Section 8 contract which subsidizes all 135 of the units. As such, all of the tenants contribute 30% of their income as rent.

SUBJECT COMPARISON TO COMPARABLE RENTS - MARKET RENTS						
Unit Type	Subject Proposed		Surveyed Minimum	Surveyed Maximum	Surveyed Average	Rent Advantage
	LIHTC Rent					
1BR/1BA - 60% AMI	\$834		\$563	\$1,441	\$967	16%
2BR/1BA - 60% AMI	\$1,000		\$640	\$1,603	\$1,116	12%
Compiled by CBRE						

The proposed 60% AMI rents are well below the surveyed average of the rent comparables for each bedroom type. The proposed rents indicate an 12% to 16% rent advantage to comparable properties (market rate and affordable). This emphasizes the strong demand for affordable housing in this market.

Absorption/Stabilization Estimate

We have calculated the absorption to 93 percent occupancy, per DCA guidelines.

The subject is a proposed renovation of an existing Section 8/LIHTC property. According the provided rent roll, dated February 25, 2022, the property is 98.5% occupied with a waiting list, which is typical for the subject property and properties with this level of subsidy. Given the level of subsidy in place, and expected in the future, we have assumed the existing tenants would remain in place, or be relocated to new units and utilize a tenant relocation plan. Based on the current and historical occupancy, as well as the current waiting list, we have assumed the subject would achieve stabilization upon completion of the proposed renovations.

We were only able to locate one multifamily development that was recently developed that was willing to provide us with absorption information. Millhouse Station is located at 636 11th Street in Augusta, Georgia just west of the subject. Millhouse Stations is a market rate development that opened in the summer of 2021 and offers 155 studio, one and two-bedroom units. The property is currently 51% occupied and conversations with the property manager indicated that the property was leasing approximately 20 units per month since its opening.

If the property were to be 100% vacant with no tenant relocation plan upon completion of construction, we believe the property would achieve a stabilized occupancy within four-months including the current Section 8 subsidies and seven-months if there were no Section 8 subsidies.

Overall Conclusion

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The affordable properties are currently 97% to 100% occupied with an average of 99.5%. The conventional comparables indicate an average of 92.1%. The subject’s proposed renovation will allow the subject to continue to compete within the

market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market **can** support subject and will help fill a void in the market. In addition, the subject will have no issue maintaining at least a 93% occupancy rate.

Summary Table

(must be completed by the analyst and included in the executive summary)

Development Name:	<u>Richmond Summit</u>	Total # Units:	135
Location:	<u>744 Broad St, Augusta, Georgia</u>	# LIHTC Units:	135
PMA Boundary:	<u>North Savannah River</u>		
	<u>South Interstate 520</u>		
	<u>East Interstate 520</u>		
	<u>West Interstate 520/Interstate 20</u>		

RENTAL HOUSING STOCK found on page 43

Type	# Properties*	Total Units	Vacant Units	Average Occupancy
All Rental Housing	28	3,196	55	98.3%
Market-Rate Housing	14	1,626	9	99.5%
Assisted/Subsidized Housing not to include LIHTC	4	1,626	9	99.5%
LIHTC	10	1,227	9	99.3%
Stabilized Comps	27	3,196	55	98.3%
Properties under Construction & Lease-Up	6	903	77	N/A

*Only includes properties in PMA

# Units	Subject Development				Average Market Rent			Highest Unadjusted Comp Rent	
	# Bedrooms	# Baths	Size (SF)	Proposed Tenant Rent	Per Unit	Per SF	Advantage	Per Unit	Per SF
1BR/1BA 60%/HAP	1	1	607	\$834	\$681	\$0.92	16%	\$1,441	\$1.18
2BR/1BA 60%/HAP	2	1	926	\$1,000	\$681	\$0.92	12%	\$1,603	\$1.18

DEMOGRAPHIC DATA

(found on page) 28-32

	2021		Market Entry (2024)		2026	
Renter Households	10,645	59.7%	10,745	61.4%	8,610	63.1%
Income-Qualified Renter HH (LIHTC)	2,751	25.8%	2,777	25.8%	2,225	25.8%

Targeted Income-Qualified Renter Housing Demand

(found on page) 38-49

Type of Demand	30%	50%	60%	Market Rate	Other: 60%/Sec. 8	Overall
Renter Household Growth	N/A	N/A	17	N/A	-148	-148
Existing Households (Overburden + Substandard)	N/A	N/A	956	N/A	2925	2925
Homeowner conversion (seniors)	N/A	N/A	0	N/A	0	0
Total Primary Market Demand	N/A	N/A	974	N/A	2777	2777
Less Comparable/Competitive Supply	N/A	N/A	0	N/A	0	0
Adjusted Income-qualified Renter HHs	N/A	N/A	974	N/A	2777	2777

CAPTURE RATES

(found on page) 49

Targeted Population	30%	50%	60%	Market Rate	Other:	Overall
Capture Rate	N/A	N/A	16.4%	N/A	5.9%	5.9%

PROJECT DESCRIPTION

Project Address and Development Location

The subject is located at 744 Broad St, Augusta, Georgia, 30901

Construction Type

The subject consists of one eight-story residential buildings and a single one-story leasing office. The buildings are wood frame with brick and wood siding exteriors and pitched roofs. The subject was originally constructed in 1923.

Occupancy Type

Senior

Special Population Target

Senior

Number of Units by Bedroom Type and AMI Level

See subject profile

Unit Size, Number of Bedrooms and Structure Type

See subject profile

Rents and Utility Allowances

See subject profile

Existing or Proposed Project-Based Rental Assistance

The subject is currently subsidized by a Section 8/HAP contract which covers all 135 of the subject's units. Following the proposed renovations, the subject will continue to benefit from the HAP contract

Proposed Development Amenities

See subject profile

Scope of Renovations

Renovations will reportedly have hard costs of \$120,000 per unit, or \$16,200,000 total. According to information provided by the developer, the scope of renovations will include, but will not be limited to: updated landscaping, new kitchen appliances, countertops and cabinets, flooring, windows, and painting. In addition, the following amenities will be added: free wireless internet, microwaves, Alexa enabled call devices, library, fitness center, business center, service coordinator and non-shelter services. Given the scope of the renovation, the in-unit and project amenities are expected to be competitive with the majority of existing communities in the market area.

Current Rents

Based on the 2/25/2022 rent roll, the current rents are the subject are contract rents based on its Section 8 agreement, with tenants paying 30% of their income as rent.

Current Occupancy

According to the 2/25/2022 rent roll, the project is currently 98.5% occupied. The project has a waiting list.

Current Tenant Income

Most of the current tenants at the subject have incomes that would be too low to qualify for the subject without its current Section 8 subsidy. Most of the current tenants have annual incomes under \$15,000.

Placed in Service Date

The subject was originally built in 1923. The renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are expected to be complete by December 2024.

Conclusion

Post renovation, the subject will consist of good quality brick and siding buildings that will be comparable to most of the inventory in the PMA. Following the renovation, the subject will not suffer from deferred maintenance, or any kind of obsolescence.

PROPERTY PROFILE – POST RENOVATION

Property Name	Richmond Summit
Address	744 Broad St Augusta, GA 30901
County	Richmond
Govt./Tax ID	0471045000
Net Rentable Area (NRA)	83,859 sf
Condition	Average
Land Area Net	0.465 ac/ 20,255 sf
Year Built/Renovated	1923/ N/A
Total # of Units	136 Unit
Average Unit Size	617 sf
Average Rent/Unit	\$905
Average Rent/SF	\$1.46
Construction Class/ Type	D/ Average
Exterior Finish	Brick
Floor Count	8
Parking Type/ Ratio	None/ N/A
Property Features	Age Restricted, Elevators, Fire Sprinklered, Flat Roofs, Gated / Controlled Access, HAP Contract, Interior Corridors, Interior Stairwells, LIHTC (Low Income Housing Tax Credit), On-Site Management, Surface Parking, Thru-The-Wall Systems
Project Amenities	Business Center, Fitness Center, Laundry Facility
Unit Amenities	8-Foot Ceilings, Dishwasher, Garbage Disposal, Laminate Countertops, Range / Oven, Refrigerator



Quoted Terms			
Occupancy	99%	Utilities Included in Rent	Water, Sewer, Trash and Electric
Tenant Profile	Low Income Seniors	Rent Premiums	None
Lease Term	12 Mo(s).	Concessions	None
Survey Date	04/2022	Owner	N/A

10. Scope of Renovations

Renovations will reportedly have hard costs of \$120,000 per unit, or \$16,200,000 total. According to information provided by the developer, the Subject's scope of renovation will include, but will not be limited to: updated landscaping, new kitchen appliances, countertops and cabinets, flooring, windows, and painting. In addition, the following amenities will be added: in-unit microwaves, free wireless internet, in-unit washer/dryers (two and three-bedroom units only), surveillance cameras, dog park, community garden. Given the scope of the renovation, the in-unit and project amenities are expected to be competitive with the majority of existing communities in the market area.

11. Current Rents

Based on the 2/25/2022 rent roll, the current rents are the subject are contract rents based on its Section 8 agreement, with tenants paying 30% of their income as rent.

CURRENT RENTS

Unit Type	Unit Size (SF)	Number of Units	Current Contract Rent	Minimum Tenant Paid Rent	Maximum Tenant Paid Rent	Average Tenant Paid Rent
1BR/1BA	607	129	\$895	\$25	\$454	\$241
2BR/1BA	926	6	\$1,120	\$0	\$228	\$177

12. Current Occupancy	According to the 2/25/2022 rent roll, the project is currently 98.5% occupied. The project has a waiting list.
13. Current Tenant Income:	Most of the current tenants at the subject have incomes that would be too low to qualify for the subject without its current Section 8 subsidy. Most of the current tenants have annual incomes under \$15,000.
14. Placed in Service Date	The subject was originally built in 1923. The renovations will occur with tenants in place. Therefore, buildings will be placed back in service on a rolling basis. Renovations are expected to be complete by December 2024.
Conclusion	Post renovation, the subject will consist of good quality brick and siding buildings that will be comparable to most of the inventory in the PMA. Following the renovation, the subject will not suffer from deferred maintenance, or any kind of obsolescence.

Site Evaluation

PROJECT DESCRIPTION

1. Date of Site Visit and Name of Inspector: Melissa Blakely, MAI inspected the site on Monday, April 25, 2022

SITE SUMMARY

Physical Description

Gross Site Area	0.47 Acres	20,255 Sq. Ft.
Net Site Area	0.47 Acres	20,255 Sq. Ft.
Primary Road Frontage	Broad Street	
Excess Land Area	None	
Surplus Land Area	None	
Topography	Generally Level	
Zoning District	B-2 General Business Zone	
Flood Map Panel No. & Date	13245C0130H	15-Nov-19
Flood Zone	Zone X (Unshaded)	
Adjacent Land Uses	Commercial and residential uses	
Earthquake Zone	N/A	

Comparative Analysis

Rating

Visibility	Average
Functional Utility	Assumed adequate
Traffic Volume	Average
Adequacy of Utilities	Assumed adequate
Landscaping	Assumed excellent
Drainage	Assumed adequate

Utilities

Adequacy

Water	Augusta Utilities Department	Yes
Sewer	Augusta Utilities Department	Yes
Natural Gas	Georgia Power Company	Yes
Electricity	Georgia Power Company	Yes
Telephone	Various	Yes
Mass Transit	Augusta Transit System	Yes

Other

Yes

No

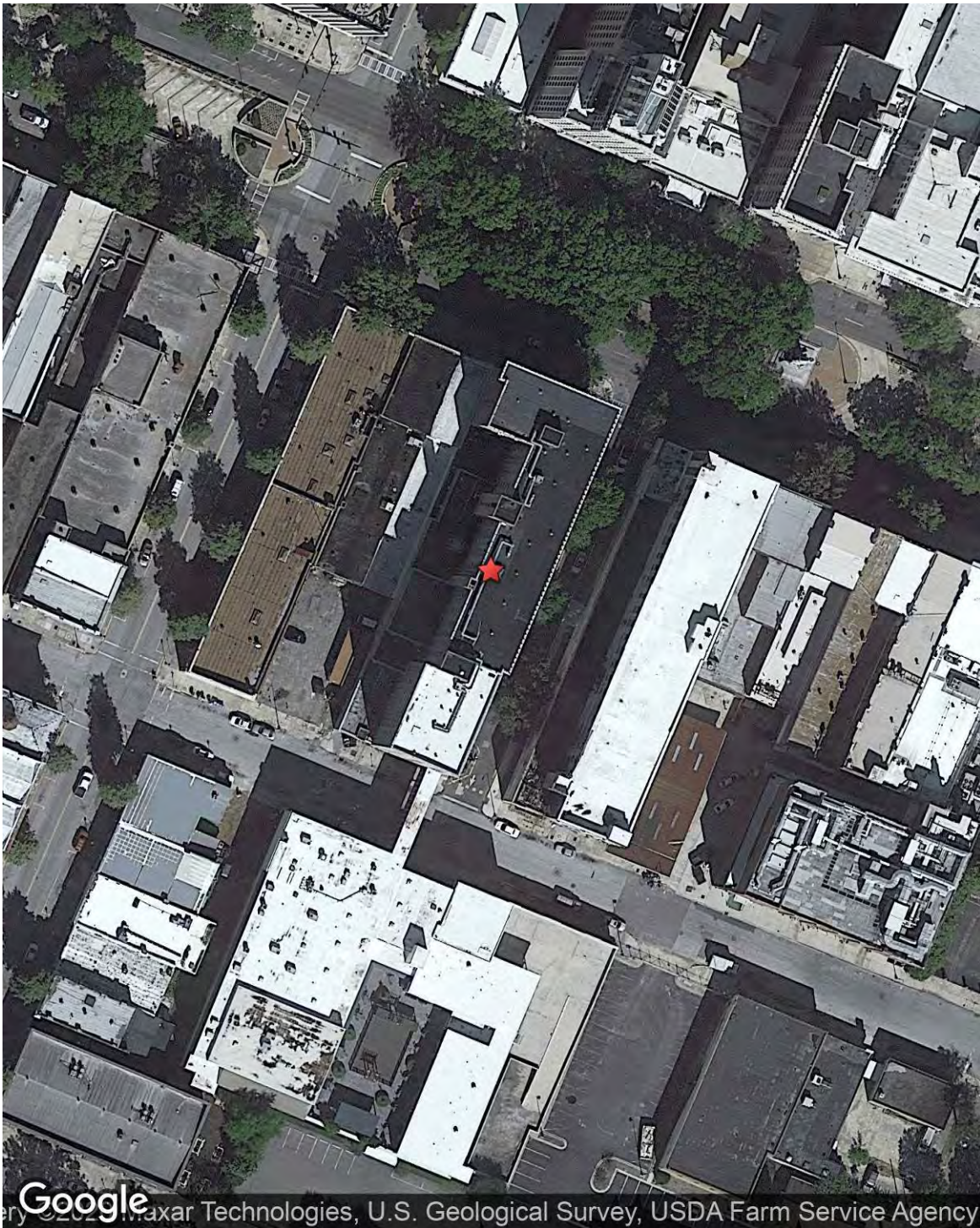
Unknown

Detrimental Easements			X
Encroachments			X
Deed Restrictions	X		
Reciprocal Parking Rights		X	

Source: Various sources compiled by CBRE

The subject currently has low income housing tax credits and will continue to following renovations.

Subject Aerial & Plat Map



Aerial View



Parcel Map

SITE AND IMMEDIATE SURROUNDING AREA

The subject has frontage along the south side of Broad Street, the north side of Ellis Street and the west side of Albion Avenue. The area is a predominately retail and commercial development with some multifamily development. To the north of the subject is the Imperial Theatre and retail developments in average condition. To the east of the subject are various retail and commercial establishments in average condition. To the south of the subject is The Richmond on Greene hotel as well as various retail establishments in average condition. To the west of the subject are retail and commercial developments in average condition.

POSITIVE/NEGATIVE ATTRIBUTES OF SITE

We are not aware of any negative attributes. The subject is located within close proximity to locational amenities.

PHYSICAL PROXIMITY TO LOCATIONAL AMENITIES

The subject is located within 0.8 miles of most locational amenities/employers as will be discussed further.

PICTURES OF SITE AND ADJACENT USES



Subject exterior



Subject exterior



Subject exterior



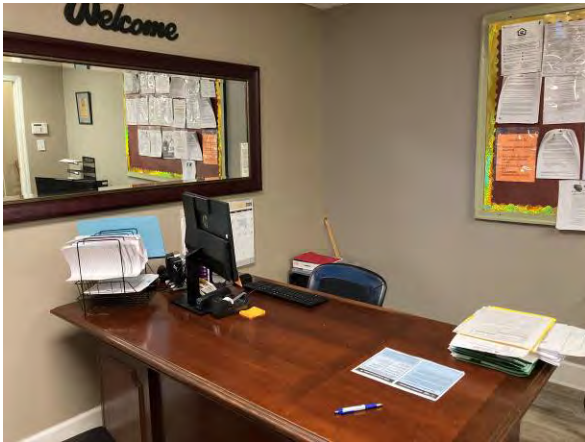
Subject entry



Subject elevators



Subject entry



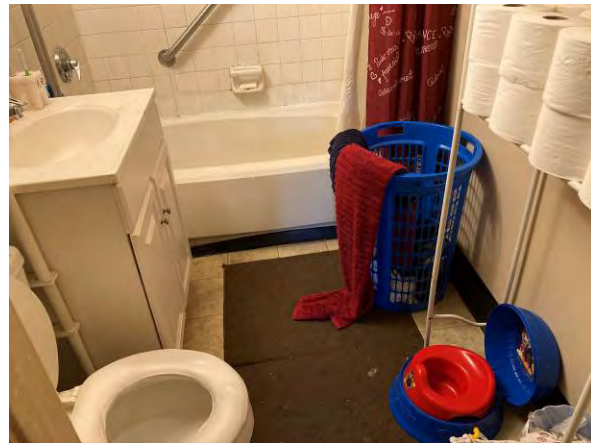
Manager's office



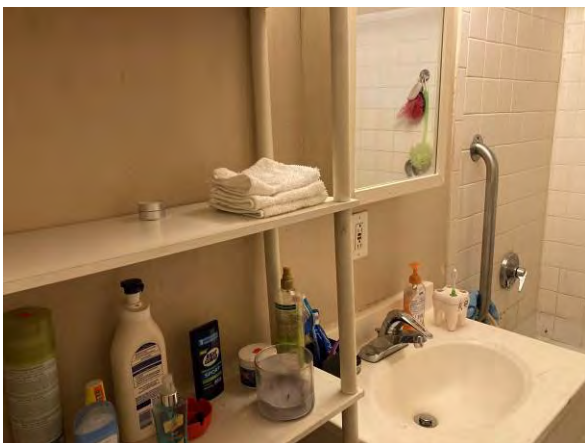
Hallway



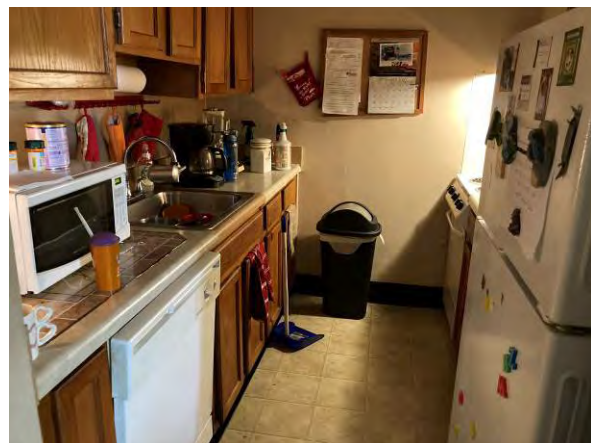
Living room



Bathroom



Bathroom



Kitchen



Dining area



Living room



Bedroom



Bathroom



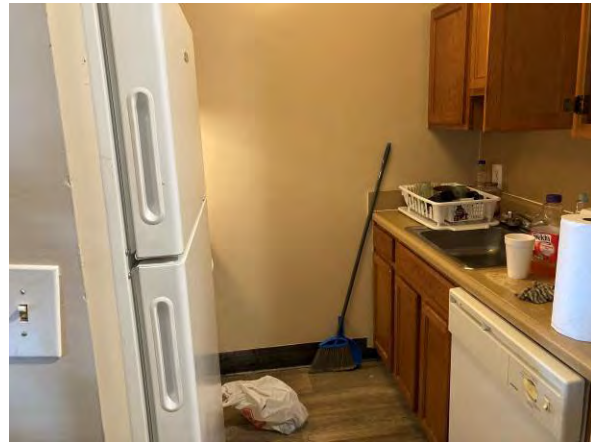
Bathroom



Bedroom



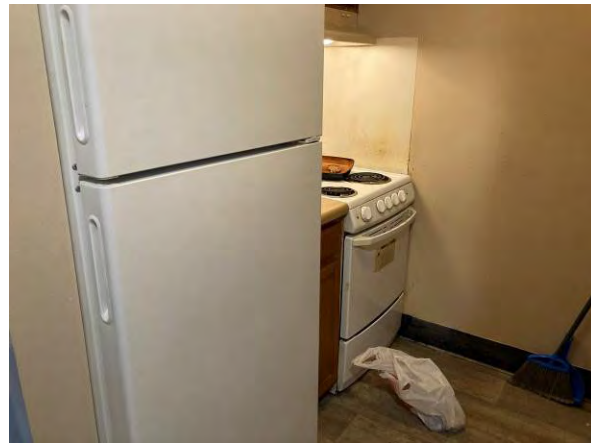
Living room



Kitchen



Kitchen



Kitchen



Laundry facility



Laundry facility



Hallway



Community room



Community room



Community room



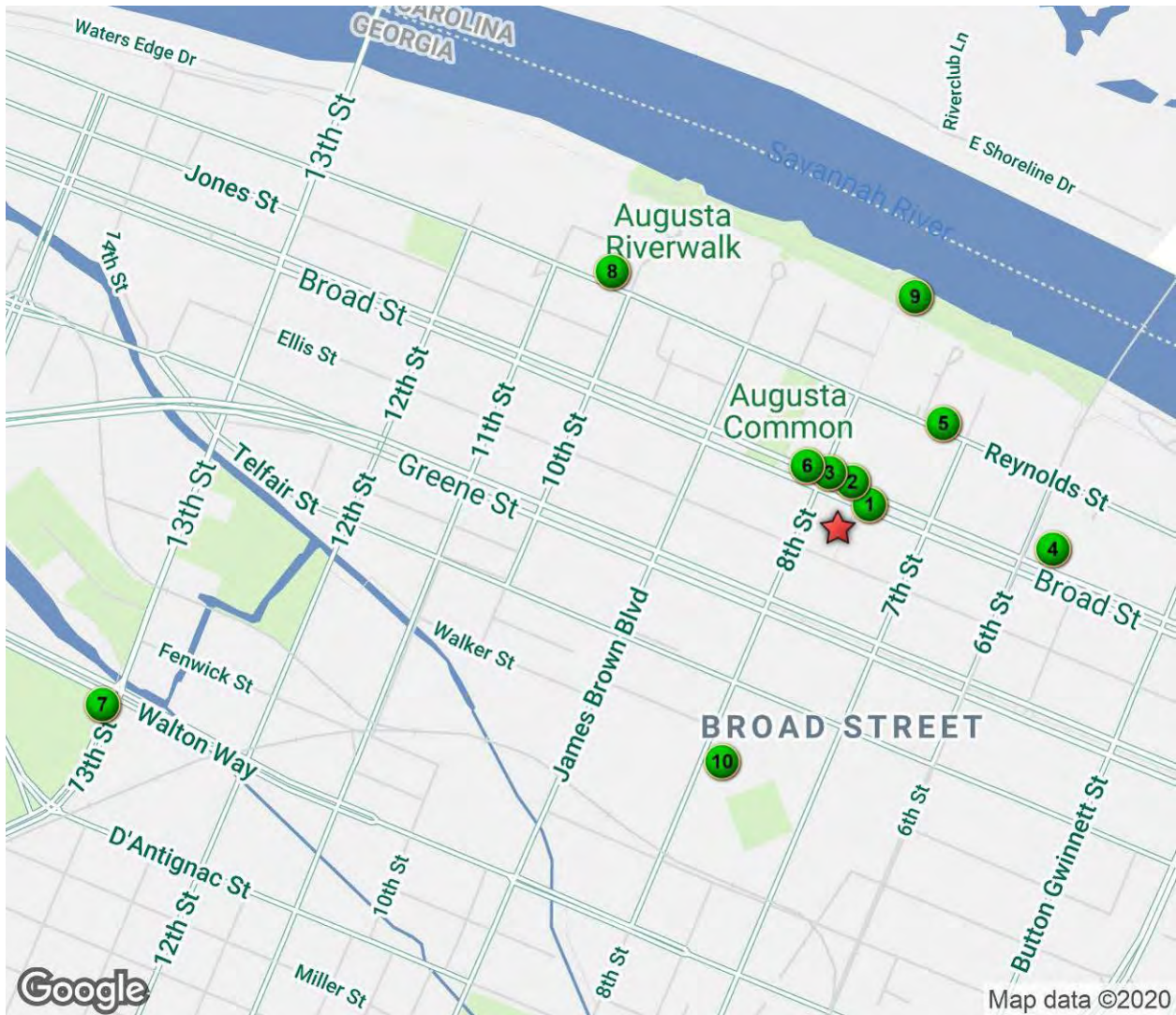
View east on Broad Street



View west on Broad Street

PROXIMITY TO LOCATIONAL AMENITIES

The following table and map illustrate the subject's proximity to amenities and services.



AMENITIES

#	Company	Distance
1	Bus Stop	0.1 Miles
2	Imperial Theatre	0.1 Miles
3	First Community Bank	0.1 Miles
4	Augusta Museum of History	0.3 Miles
5	Riverfront YMCA	0.3 Miles
6	Fordham Drug Store	0.1 Miles
7	University Hospital	0.8 Miles
8	Augusta Fire Department	0.4 Miles
9	Augusta Riverwalk	0.3 Miles
10	US Post Office	0.4 Miles

DESCRIPTION OF LAND USES

The subject's site is located in downtown Augusta, which is in eastern Georgia. The subject is surrounded by retail and commercial developments. South, east and west of the subject are retail developments in average condition. The site is considered a desirable location for multifamily uses, with many amenities within walking distance.

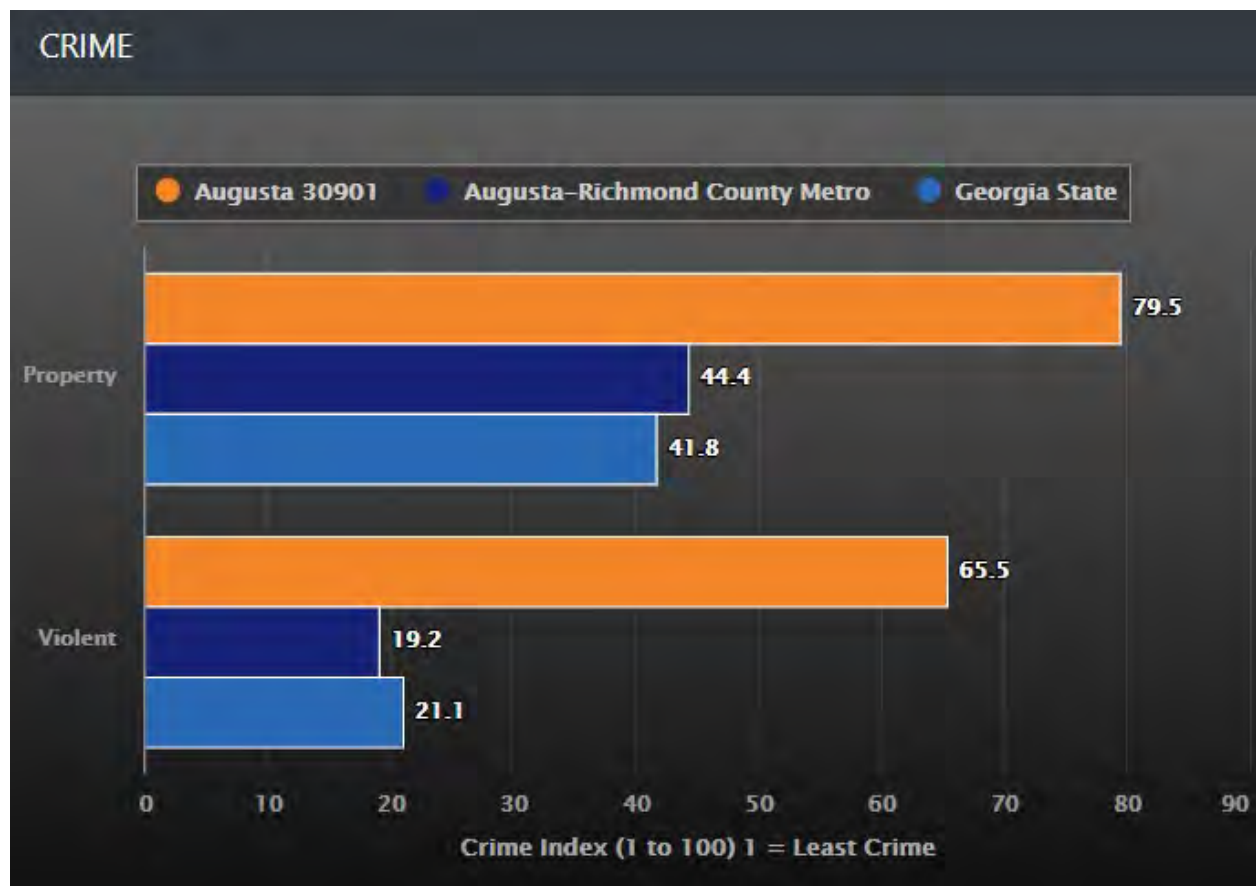
According to walkscore.com the subject's site has a walk score of 64 which is considered car dependent, and a bike score of 63 which is considered somewhat bike-able.

NUISANCES/CRIME RATES

Street noise was not noted to be a nuisance by the appraiser during the site inspection, nor were any factors observed in the subject’s immediate vicinity that would negatively affect the perceived quality of the neighborhood.

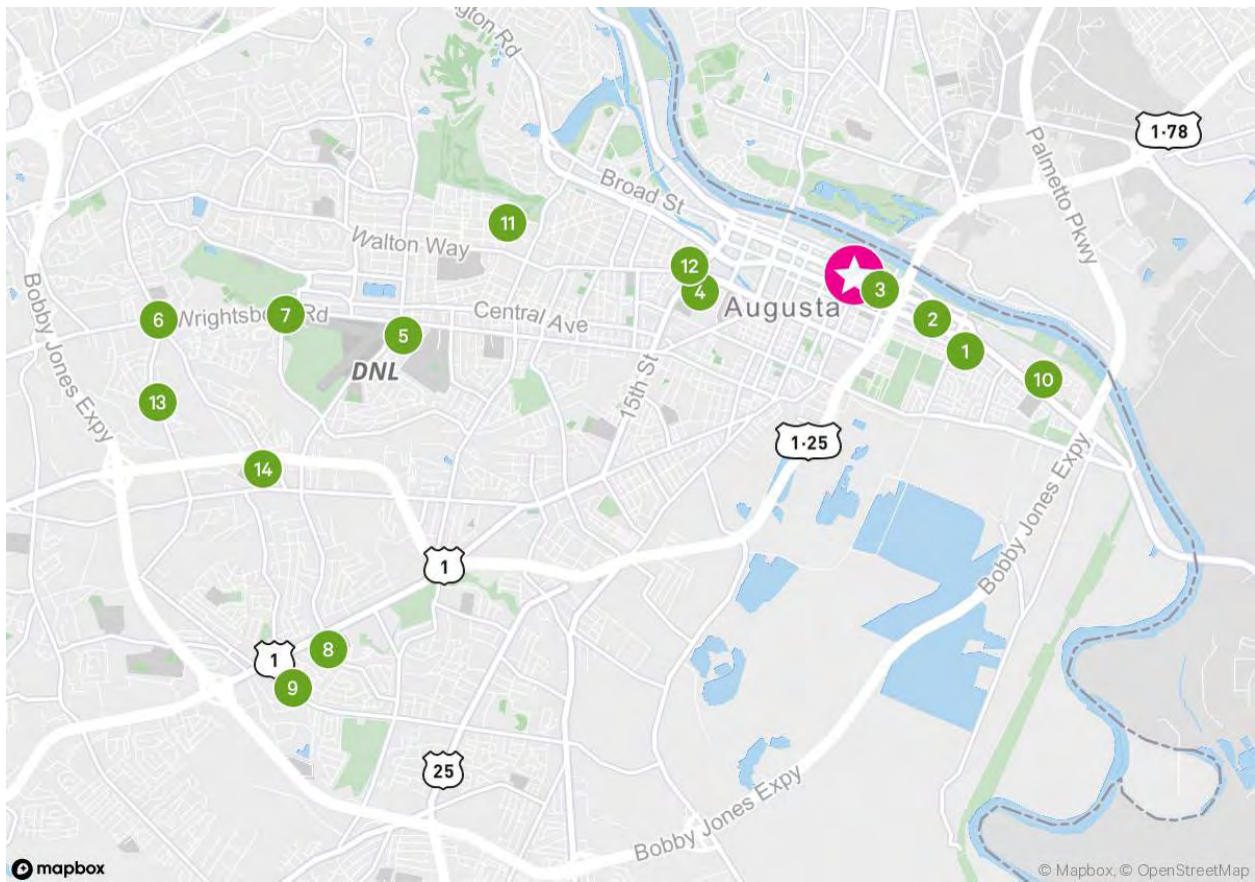
In terms of crime, according to Trulia.com, the subject’s zip code experiences **moderate to high crime** relative to greater Augusta-Richmond County Metro.

According to bestplaces.com, the subject’s zip code has higher property crime rates when compared to the Augusta-Richmond County Metro and state of Georgia. The subject’s zip code reported a higher violent crime rate when compared to the Augusta-Richmond County Metro and state of Georgia.



Source: Bestplaces.com

EXISTING ASSISTED RENTAL HOUSING PROPERTY MAP



ASSISTED/SUBSIDIZED PROPERTIES IN THE PMA

	Property Name	Program	Tenancy	Occupancy
1	River Glen Apartments	Section 8	Family	100.0%
2	East Augusta Commons	LIHTC	Family	97.0%
3	St. Johns Towers	Section 8	Senior	100.0%
4	Linden Square Apartments	LIHTC	Family	100.0%
5	Freedoms Path at Augusta	LIHTC	Senior	100.0%
6	Forest Brook Apartments	LIHTC	Family	99.0%
7	Augusta Springs Senior	LIHTC	Senior	100.0%
8	Progressive Cedarwood	LIHTC	Family	99.0%
9	Shadowood Apartments	Section 8	Family	100.0%
10	Walton Oaks Family	LIHTC	Family	100.0%
11	Bon Air Apartments	Section 8	Senior	100.0%
12	Legacy at Walton Green Senior	LIHTC	Senior	99.0%
13	Gardens at Harvest Point	LIHTC	Senior	100.0%
14	The Terrace at Edinburgh	LIHTC	Senior	100.0%

Compiled by CBRE

ROAD, INFRASTRUCTURE, OR PROPOSED IMPROVEMENTS

We did not witness any road, infrastructure, or proposed improvements during our fieldwork.

ACCESS, INGRESS-EGRESS AND VISIBILITY OF SITE:

Comparative Analysis	<u>Rating</u>
Visibility	Average
Functional Utility	Assumed adequate
Traffic Volume	Average
Adequacy of Utilities	Assumed adequate
Landscaping	Assumed excellent
Drainage	Assumed adequate

The subject has average access, visibility and ingress/egress for a multifamily site. Access to the site is provided by Broad Street which is accessed by Highway 28 which is accessed by Interstate 20.

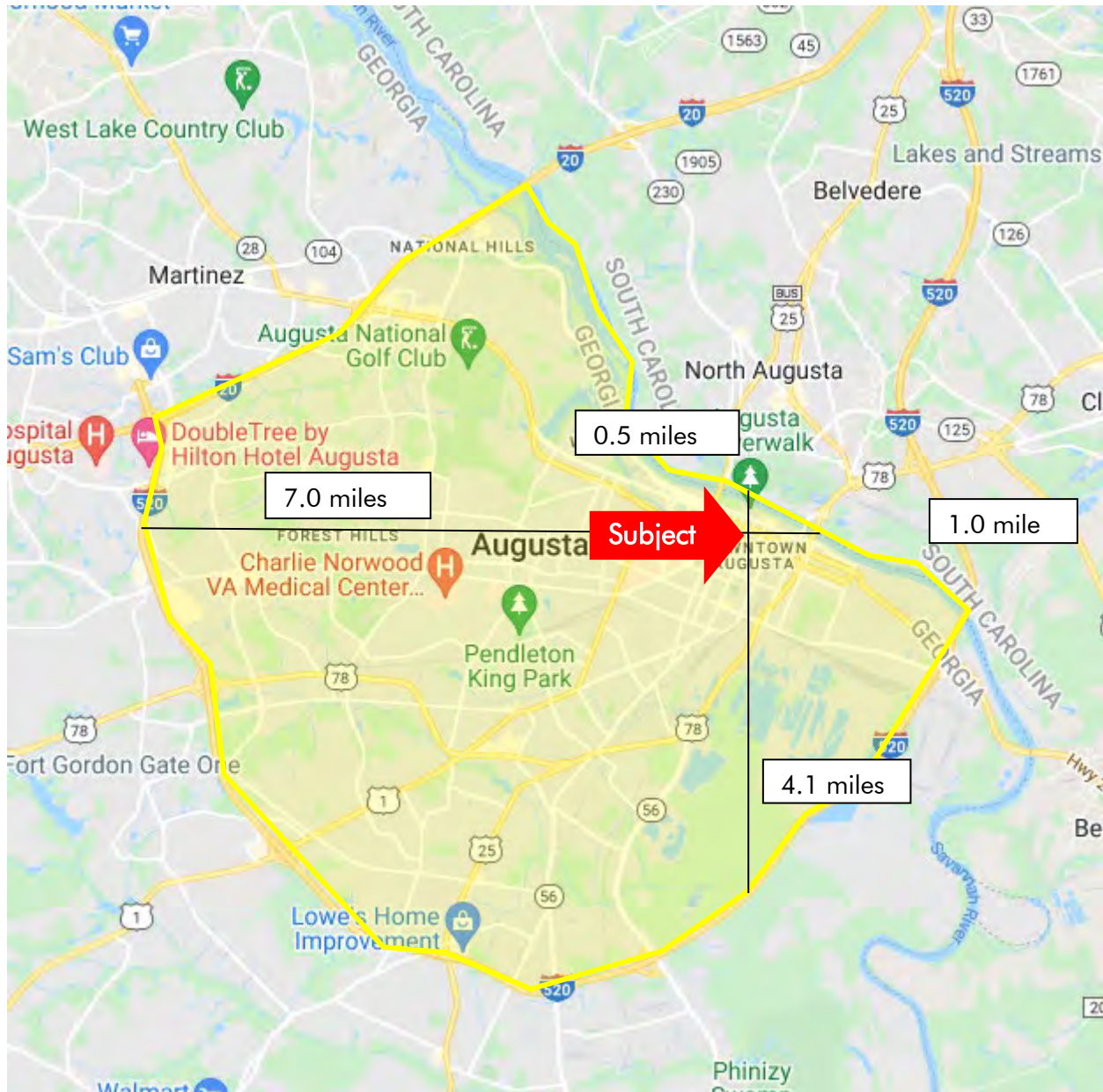
CONCLUSION

The subject site is well located and afforded average access and average visibility from roadway frontage. There are no known detrimental uses in the immediate vicinity other than above average crime rates. Overall, there are no known factors which are considered to prevent the site from development to its highest and best use, as if vacant, or adverse to the existing use of the site.

Market Area

PRIMARY MARKET AREA (PMA)

The following map illustrates the subject's PMA.



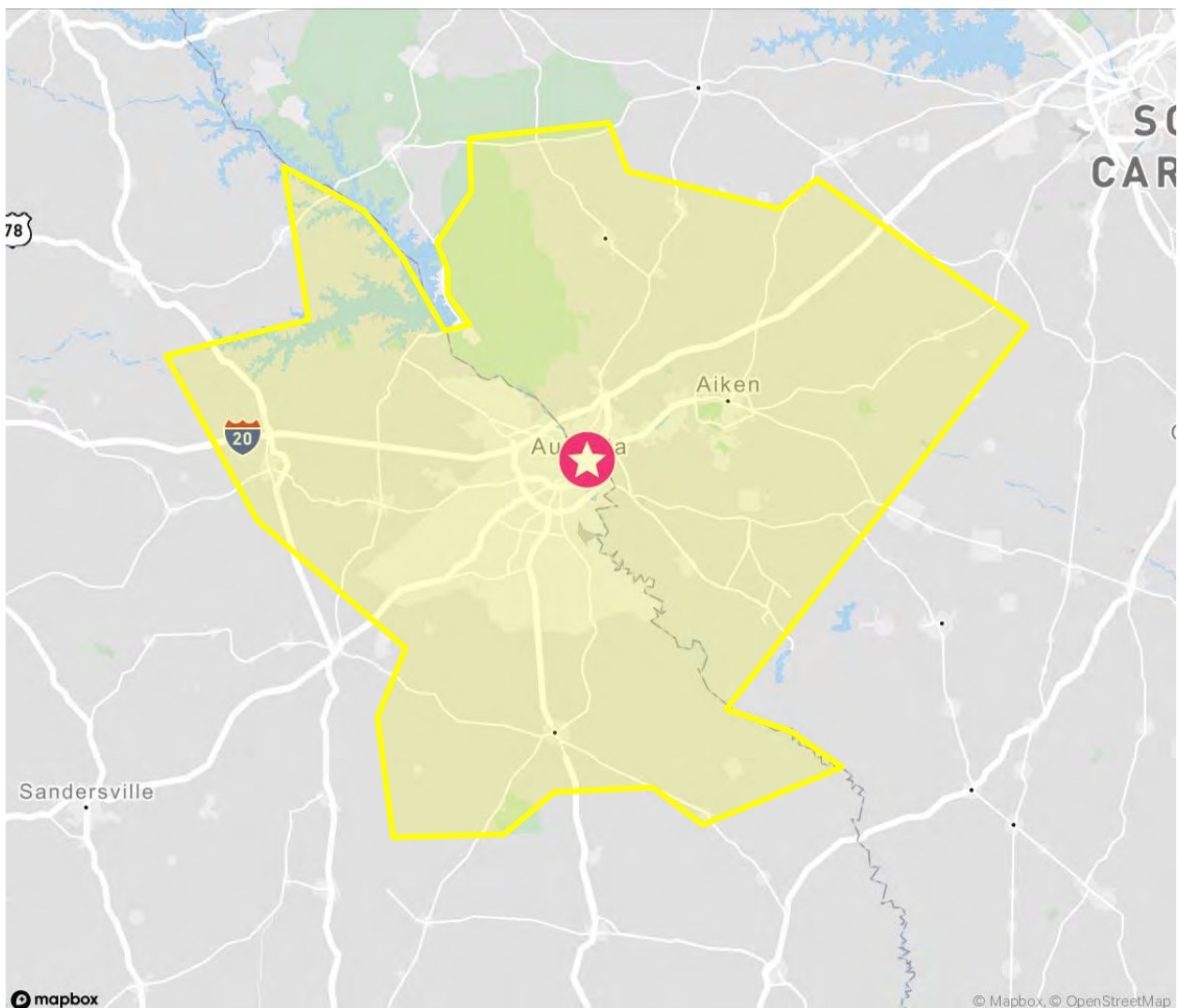
We have defined the subject's primary market area (PMA) as the area south of the Savannah River, north and west of Interstate 520 and east of Interstate 20 and Interstate 520.

Richmond County is a county located in the U.S. state of Georgia. As of the 2010 census, the population was 200,549. It is one of the original counties of Georgia, created February 5, 1777. Following an election in 1995, the city of Augusta (the county seat) consolidated governments with Richmond County. The consolidated entity is known as Augusta-Richmond County, or simply

Augusta. Richmond County is included in the Augusta-Richmond County, GA-SC Metropolitan Statistical Area. The counties area is approximately 329 square miles and reported a population of 206,607 in 2020 according to the U.S. Census Bureau. The boundaries of the PMA are approximately 7.0 miles to the west, 0.5 miles to the north, 1.0 mile to the east, and approximately 4.1 miles to the south of the subject property. The PMA was defined based on interviews with the property managers at comparable properties and the subject's property manager. We have not considered leakage outside the PMA within our analysis.

SECONDARY MARKET AREA (SMA)

We have defined the secondary market area as the Augusta-Richmond County, GA-SC Metropolitan Statistical Area.



Community Demographic Data

This section of the report provides the demographic information for the subject's PMA, giving historical data as well as current data and estimates. The subject property will be renovated with a proposed completion date of December 2024. Our projections are based on current data, such as census data, ESRI, and American Community Survey as prepared by Claritas. We have also utilized the American Fact Finder for additional US Census data.

POPULATION TRENDS

The following table illustrates population projections from 2000 through 2026.

POPULATION AND HOUSEHOLD PROJECTIONS			
744 Broad Street Augusta, GA	PMA	Augusta, Richmond County, GA-SC MSA	Georgia
Population			
2026 Total Population	90,030	657,116	11,392,648
2026 Total Senior Population	27,494	206,868	3,226,825
2021 Total Population	89,361	625,509	10,815,378
2021 Total Senior Population	27,113	190,899	2,936,614
2010 Total Population	91,014	564,873	9,687,653
2000 Total Population	98,415	508,032	8,186,453
Growth 2021 - 2026	0.15%	0.99%	1.05%
Growth 2010 - 2021	-0.17%	0.93%	1.01%
Growth 2000 - 2010	-0.78%	1.07%	1.70%
Households			
2026 Total Households	39,127	253,009	4,231,600
2026 Total Senior Households	18,166	122,782	1,865,264
2021 Total Households	38,703	240,206	4,013,721
2021 Total Senior Households	17,830	114,082	1,718,544
2010 Total Households	39,237	215,526	3,585,584
2000 Total Households	41,182	188,052	3,006,369
Growth 2021 - 2026	0.22%	1.04%	1.06%
Growth 2010 - 2021	-0.12%	0.99%	1.03%
Growth 2000 - 2010	-0.48%	1.37%	1.78%
Source: ESRI			

As illustrated, total population decreased between 2000 and 2021 in the PMA and increased in the MSA. The population in the state of Georgia increased at a faster rate than the MSA. The number of households in the PMA has decreased from 2000 to 2021. The number of households is expected to increase in the PMA from 2021 to 2026.

The senior population and household growth in the PMA indicate the need for affordable housing and continued demand for the subject's units.

POPULATION BY AGE GROUP

PMA	2010	2021	Projected Market Entry - December 2024	2026
Age 0-4	6,865	5,953	5,880	6,035
Age 5-9	5,686	5,646	5,577	5,502
Age 10-14	4,876	5,256	5,192	5,216
Age 15-19	5,931	5,062	5,000	5,511
Age 20-24	8,222	6,030	5,956	6,354
Age 25-29	7,929	6,901	6,816	6,212
Age 30-34	5,942	7,092	7,005	6,051
Age 35-39	4,839	6,149	6,074	6,241
Age 40-44	4,949	4,905	4,845	5,929
Age 45-49	5,830	4,461	4,406	4,934
Age 50-54	6,242	4,793	4,734	4,552
Age 55-59	5,934	5,397	5,331	4,854
Age 60-64	4,922	5,625	5,556	5,206
Age 65-69	3,704	5,041	4,979	5,183
Age 70-74	2,829	4,040	3,990	4,381
Age 75-79	2,565	2,891	2,856	3,486
Age 80-84	1,992	2,026	2,001	2,254
85 and Older	1,755	2,093	2,067	2,130
Median Age	35.10	37.20	37.62	38.30

Source: ESRI

The largest cohorts in the PMA are ages 10-14, 5-9 and 25-29, which indicate a presence of families.

TOTAL NUMBER OF HOUSEHOLDS AND AVERAGE HOUSEHOLD SIZE**AVERAGE HOUSEHOLD SIZE**

	PMA	Augusta-Richmond County, GA-SC MSA	Georgia
Year			
2026 Household Size	2.15	2.33	2.58
2024 Household Size - Projected Market Entry	2.23	2.52	2.63
2021 Household Size	2.23	2.52	2.63
2010 Household Size	2.31	2.62	2.71
2000 Household Size	2.40	2.75	2.79

Source: ESRI

We have assumed the household size remains similar to the 2021 estimate in order to estimate our market entry date of December 2021. The average household size is slightly smaller in the PMA as compared to the MSA and the state of Georgia.

HOUSEHOLDS BY TENURE

SENIOR TENURE PATTERNS PMA (55+)				
Year	Owner Occupied Units	Percentage Owner Occupied	Renter-Occupied Units	Percentage Renter Occupied
2026	12,730	36.9%	8,610	63.1%
2024 Projected Market Entry	12,571	38.6%	8,077	61.4%
2021	12,668	40.3%	8,016	59.7%
2010	13,197	44.5%	6,518	55.5%
2000	11,606	49.1%	4,567	50.9%

Source: ESRI

As the table illustrates, households within the PMA live primarily in renter occupied housing units. The proportion of owner occupied housing units in the PMA and SMA have decreased since 2000. In 2021, 59.7% of the housing units in the PMA were renter-occupied. This trend is expected to increase, with approximately 63.1% of the population in the PMA residing in renter-occupied housing units in 2026. This trend bodes well for the subject's housing units.

HOUSEHOLD BY INCOME

The following table illustrates household income distribution in the PMA.

Income Cohort	SENIOR RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA					
	2021		Projected Market Entry - December 2024		2026	
	Number	Percentage	Number	Percentage	Number	Percentage
<\$15000	2,321	21.8%	2,226	20.7%	2,132	19.7%
\$15000-\$24999	1,670	15.7%	1,627	15.1%	1,583	14.6%
\$25000-\$34999	1,339	12.6%	1,330	12.4%	1,321	12.2%
\$35000-\$49999	1,611	15.1%	1,609	15.0%	1,607	14.8%
\$50000-\$74999	1,604	15.1%	1,682	15.7%	1,760	16.2%
\$75000-\$99999	776	7.3%	815	7.6%	854	7.9%
\$100000-\$149999	680	6.4%	747	7.0%	814	7.5%
\$150000-\$199999	183	1.7%	208	1.9%	232	2.1%
\$200000+	460	4.3%	501	4.7%	542	5.0%
Total	10,645	100%	10,745	100%	10,845	100%

We have utilized the household growth rate between 2021 and 2026 in order to project the 2024 figures above for our projected market entry date.

The largest portion of residents in the PMA earn between less than \$15,000. In addition, 65.2% of the renter population earn less than \$34,999 in the subject's PMA. This suggests a strong demand for affordable housing, and particularly subsidized housing.

SENIOR RENTER HOUSEHOLDS BY NUMBER OF PERSONS – PMA

SENIOR RENTER HOUSEHOLD BY NUMBER OF PERSONS - PMA						
	2010		2021		Projected Market Entry - 2024	
	Number	Percentage	Number	Percentage	Number	Percentage
With 1 Person	2,039	37%	3,938	37%	1,961	37%
With 2 Persons	1,950	31%	3,300	31%	1,594	31%
With 3 Persons	895	15%	1,597	15%	1,953	15%
With 4 Persons	652	9%	958	9%	1,148	9%
With 5+ Persons	408	8%	852	8%	1,444	8%
Total Renter	5,944		10,645		10,745	

Source: American Fact Finder, U.S. Census Bureau, 2010-2021

The table above represents the best data available for this market. We have applied the percentages in 2021, the most recent available, to our 2024 projected market entry data. As illustrated, the majority of households (83%) reside in one, two and three person households.

CONCLUSIONS

The subject's demographics bode well for the strong demand for affordable housing in this market. The PMA has the largest percentage of the population earning less than \$15,000 per year. The number of senior households and population figures have increased in the past, and are expected to grow in the future. The PMA also has a high percentage of renter occupied housing units. Based on the tax credit rent restrictions, the subject will target incomes between \$0 and \$40,020 assuming the current Section 8 subsidies are in place and \$25,020 to \$40,020 without the current Section 8 subsidies in place. However, all rentable units will continue to benefit from a Section 8 subsidy post renovation with all tenants contributing rent based on their income.

Employment Trends

The following table illustrates labor force and total employment in Augusta-Richmond County, GA-SC, MSA from 2009 to February 2022.

AUGUSTA-RICHMOND COUNTY, GA-SC MSA			
Year	Labor Force	% Change	Employment
2009	262,565	-	235,521
2010	258,129	-1.7%	228,702
2011	257,447	-0.3%	227,583
2012	257,605	0.1%	229,268
2013	260,565	1.1%	232,424
2014	255,064	-2.1%	231,598
2015	257,977	1.1%	236,823
2016	262,633	1.8%	242,936
2017	267,653	1.9%	248,114
2018	269,692	0.8%	252,971
2019	267,767	-0.7%	251,433
2020	272,597	1.8%	259,240
2021	268,644	-1.5%	251,451
Jan-22	267,267	-0.5%	254,705
Feb-22	267,118	-0.1%	254,831

Source St. Louis Federal Reserve, 4/2022

The Augusta-Richmond County, GA-SC, MSA experienced increases in employment overall from 2009 to 2022. Increases occurred in 2013, 2015, 2016, 2017 and 2020.

TOTAL JOBS BY INDUSTRY

EMPLOYMENT BY INDUSTRY			
744 Broad Street Augusta, GA	PMA	Augusta, Richmond Couty, GA-SC MSA	Georgia
2021 Emp Civ Pop 16+ by Industry	36,435	260,017	5,050,062
Agric/Forestry/Fishing/Hunting/Mining	0.23%	1.07%	0.99%
Construction	6.50%	7.87%	7.00%
Manufacturing	8.00%	11.50%	10.45%
Wholesale Trade	1.89%	1.64%	2.82%
Retail Trade	11.68%	11.72%	10.69%
Transportation/Warehousing/Utilities	4.65%	6.34%	7.51%
Information	2.00%	1.51%	2.20%
Finance/Insurance/Real Estate/Rental/Leasing	4.31%	4.50%	6.84%
Prof/Scientific/Tech Services	5.78%	6.34%	8.58%
Mgmt of Companies/Enterprises	0.03%	0.01%	0.09%
Admin/Support/Waste Mgmt Svcs	6.22%	4.84%	4.44%
Educational Services	9.27%	8.95%	9.31%
Health Care/Social Assistance	19.19%	16.49%	12.29%
Arts/Entertainment/Recreation	1.33%	1.01%	1.14%
Accommodation/Food Services	9.62%	5.99%	6.04%
Other Services (excl Publ Adm)	4.73%	4.27%	4.41%
Public Administration	4.55%	5.95%	5.19%

Source: ESRI

As illustrated, the highest employment sectors are health care/social assistance, retail trade and accommodation/food services. Together, these industries comprise 40.5% of all jobs in the PMA.

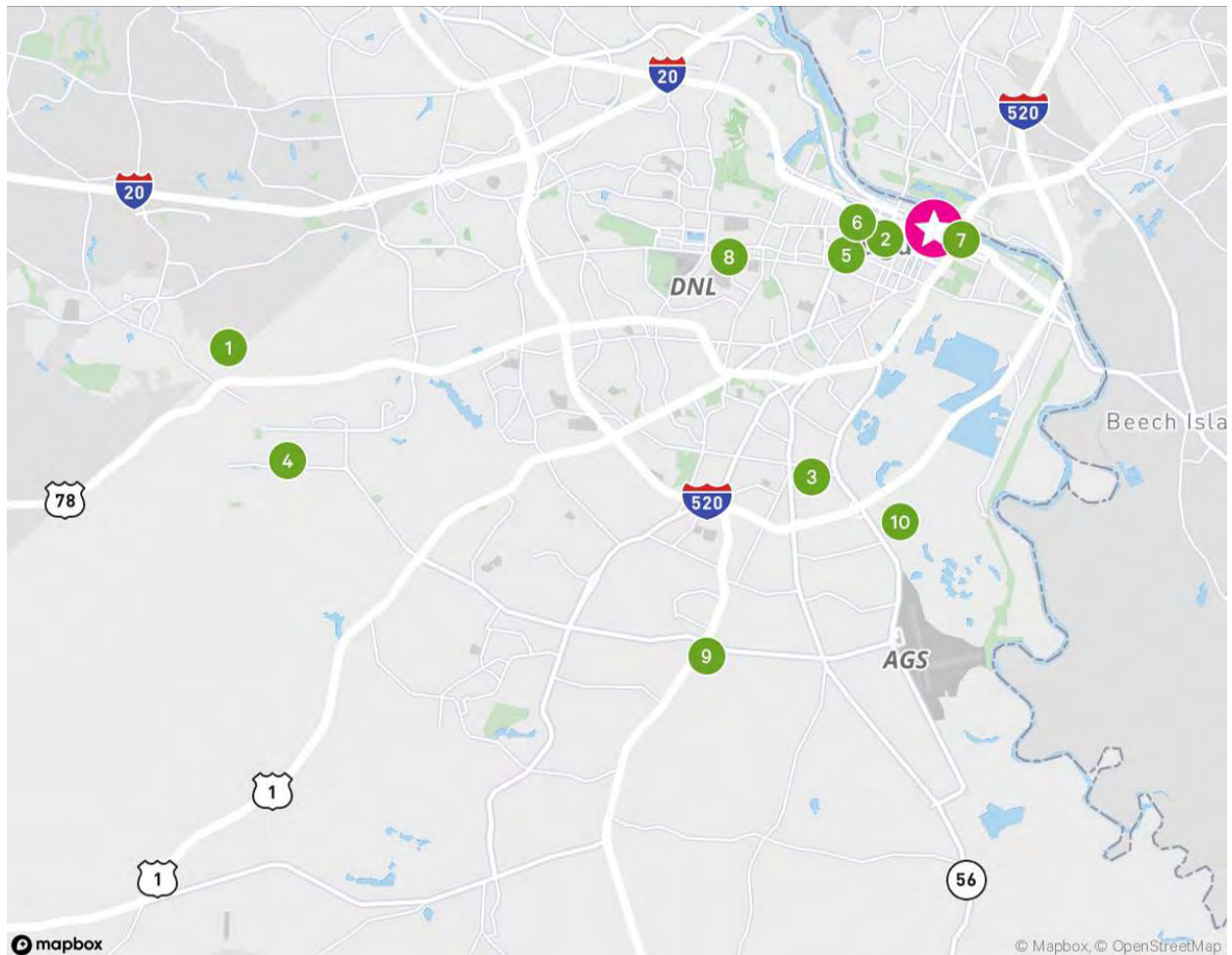
MAJOR EMPLOYERS

The following table depicts the largest employers in Augusta.

MAJOR EMPLOYERS			
#	Company	Industry	Number of Employees
1	Cyber Center of Excellence and Fort	Military	25,264
2	Augusta University	Education	4,656
3	Richmond County School System	Education	4,418
4	NSA Augusta	Government	4,000
5	University Hospital	Health Care	3,200
6	Augusta University Hospitals	Health Care	3,054
7	Augusta-Richmond County	Municipal Services	2,612
8	VA Medical Centers	Health Care	2,082
9	East Regional Hospital	Health Care	1,488
10	EZ Go Textron	Manufacturing	1,277

Source: Augusta Economic Development

The following map illustrates the top employers the subject’s area.



Many of Augusta’s largest employers are associated with the public, healthcare and education industries. These are stable employment industries and provide a consistent base of employment in Augusta.

WARN NOTICES

According to the Department of Labor, the following companies issued layoffs since January 2018.

EMPLOYMENT CONTRACTIONS - WARN NOTICES				
Augusta Area - 2018 to Present				
Company Name	Location	County	Notice Date	# Affected
CWU Inc Augusta	Augusta	Richmond	4/1/2022	68
PF Changs China Bistro	Augusta	Richmond	9/18/2020	75
Bloomin Brands	Augusta	Richmond	3/15/2020	245
The Family Y of the CSRA	Augusta	Richmond	3/25/2020	221
Beasley Media Group	Augusta	Richmond	4/1/2020	25
Resolute Forest Products	Augusta	Richmond	1/13/2020	150
Ryder System	Augusta	Richmond	1/13/2020	50
Cerner Corporation	Augusta	Richmond	3/31/2019	129
Textron	Augusta	Richmond	1/23/2018	60
Georgia Pacific	Augusta	Richmond	4/30/2018	55
Solo Cup Operating Corporation	Augusta	Richmond	12/31/2018	139

Source: Georgia Department of Labor

Augusta is widely known as one of the best locations for national and regional corporate headquarters, health care and life sciences, manufacturing, energy, customer service centers, major retail investments, and hospitality ventures. As a result, corporations from the U.K, Germany, Australia, France, Canada, and elsewhere have chosen to make a base here.

Cyber has more recently taken its place at the table, fueling much of Augusta’s economic activity in the past several years. In addition, Amazon has plans for two separate distribution warehouses off of I-20 in Columbia County; the first is set to open in July, and the second was announced in spring 2021.

Other key components driving Augusta’s economy include Augusta University, Georgia’s research university and home to the state’s medical school; Savannah River Site, home of the Savannah River National Lab; and Plant Vogtle, an expanding nuclear facility. These two large energy projects provide 12,000 and 6,000 jobs respectively.

As the region’s single largest employer, the U.S. Army Cyber Center of Excellence and Fort Gordon employ about 25,200 workers. Augusta University and its associated health system employ another nearly 8,000 people.

Manufacturing is a major growth sector; Augusta’s top 10 largest manufacturers employ about 5,600 workers. Meanwhile, other major corporations specialize in customer-service-based work.

UNEMPLOYMENT TRENDS

AUGUSTA-RICHMOND COUNTY, GA-SC MSA		
Year	Unemployment	Unemployment Rate
2009	27,044	10.3%
2010	29,427	11.4%
2011	29,864	11.6%
2012	28,337	11.0%
2013	28,141	10.8%
2014	23,466	9.2%
2015	21,154	8.2%
2016	19,697	7.5%
2017	19,539	7.3%
2018	16,721	6.2%
2019	16,334	6.1%
2020	13,357	4.9%
2021	17,193	6.4%
Jan-22	12,562	4.7%
Feb-22	12,287	4.6%

Source St. Louis Federal Reserve, 4/2022

The unemployment rate in the Augusta-Richmond County, GA-SC MSA peaked in 2011 at 11.6% but has gradually decreased to a current unemployment rate of 4.6% in February 2022. This is compared to the national unemployment rate of 3.8% in February 2022 and 3.2% unemployment rate in Georgia during the same period.

CONCLUSIONS

Overall, Augusta appears to be performing generally similarly to the state of Georgia and nation. As such, we expect this economy will have continued demand for workforce and affordable housing for the foreseeable future.

Unemployment in the MSA is currently 4.6% (February 2022) which is slightly higher than the state and national rates in the same period. public, healthcare and education industries. These are stable employment industries and provide a consistent base of employment in Augusta. health care/social assistance, retail trade and accommodation/food services.

Project Specific Affordability and Demand Analysis

Based on the guidelines provide by the Georgia DCA, we analyzed the potential number of qualified households that the subject property would likely capture.

Income Restrictions

The subject's maximum income limits are as follows by bedroom type:

SENIOR INCOME LIMITS				
Unit Type	Minimum Allowable Income	Maximum Allowable Income	Minimum Allowable Income	Maximum Allowable Income
	60% AMI		60% AMI/Section 8	
1BR/1BA	\$25,020	\$35,580	\$0	\$35,580
2BR/1BA	\$30,000	\$40,020	\$0	\$40,020

According to DCA guidelines, the maximum allowable Area Median Income (AMI) level per household for all bedroom types will be based on a standard of 1.5 persons per bedroom for family developments rounded up to the next whole number.

The minimum income limits are calculated assuming that the maximum gross rent a senior household will pay is 40 percent of its household income at the appropriate AMI level.

Affordability

According to DCA guidelines, our analysis assumes families pay no more than 35% of their income towards rent, and seniors pay no more than 40% of their income towards rent. We have utilized these guidelines to calculate the minimum income levels for the subject property. Post-renovation, the subject will continue to be subsidized by a Section 8 contract whereby tenants will contribute 30% of their income towards rent, with some tenants having no income.

Demand

The demand for the subject will be derived from three sources: a) new households in the market area, b) existing households, rent overburdened, or in substandard housing, and c) elderly homeowners likely to convert to renters (if relevant).

Demand from New Households

The first component of the demand analysis is the number of new households entering the market, or new units required in the market area due to projected household growth from migration into the market and growth from existing households in the market. The estimated date of completion is December 2024; therefore, we have utilized this date as the base year for the analysis. Therefore, 2021 household population estimates are inflated to 2024 based on historical trends. This change in households is considered the gross potential demand for the subject property. The gross potential demand is then adjusted or discounted for income eligibility and renter tenure, resulting in a net demand number.

Demand from Existing Households

The second source of demand is projected from rent over-burdened households, if any, within the age group, income groups and tenure (renters) targeted for the proposed development. We have assumed that the rent-overburdened analysis includes households paying greater than 35% (Family), or greater than 40% (Senior) of their income toward gross rent; and households in substandard housing should be determined based on age, income bands and tenure that apply.

Elderly Homeowners likely to convert to renters

Due to the subject targeting senior tenants, we have utilized senior homeowners converting to renters.

Net Demand, Capture Rates and Stabilization Conclusions

The overall demand components added together (demand from new households, demand from existing renter households in substandard housing, demand from existing renter households that are rent overburdened and demand from the secondary market area) less the supply of competitive vacant and/or units constructed in the past 2 years. Comparable units (vacant or occupied) funded, under construction or placed in service in 2020 and 2021 must be subtracted to calculate net demand. Vacancies in projects placed in service prior to 2020 which have not reached stabilized occupancy (i.e. at least 90% occupied) must also be considered as part of the supply.

Additions to Supply

Per DCA’s guidelines we have deducted all competitive units are defined as those units that are of similar size and configuration and provide alternative housing to a similar tenant population, at rent levels comparative to those proposed. The supply needs to include all competitive units in properties that have not yet reached stabilized occupancy, including those recently funded by DCA, proposed for funding for a bond allocation from DCA, and existing or planned conventional rental properties. While there is an affordable development in the PMA that is currently under development, there are no developments which meet the criteria as competitive to the subject. The following table depicts the multifamily developments in the PMA.

UNDER CONSTRUCTION AND PROPOSED						
Project Name	Location	Type	Tenants	Number of Units	Status	Year Complete
The Standard	1112 Greene Street	Market Rate	Family	140	Under Construction	2023
King Mill	Goodrich St and Broad St	Market Rate	Family	240	Under Construction	2023
753 Broad Street	753 Broad Street	Market Rate	Family	68	Proposed	N/A
Archer Green	3112 Damascus Road	Market Rate	Family	240	Proposed	N/A
Kendrick Place	20 Kendrick Place	LIHTC	Family	64	Proposed	N/A

Compiled by CBRE

PMA Occupancy

Per DCA’s guidelines, the following table outlines the average occupancy rate based on all available competitive conventional and affordable (including LIHTC) properties in the PMA.

OVERALL PMA OCCUPANCY			
Property Name	Program	Tenancy	Occupancy
Cobb House Apartments*	Market	Family	94%
Broadway Apartments*	Market	Family	88%
Enterprise Mill*	Market	Family	93%
Terraces at Summerville*	Market	Family	96%
Canalside*	Market	Family	94%
Maxwell House Apartments	Market	Family	95.0%
The Downtowner	Market	Family	98.1%
Azalea Park Apartments	Market	Family	98.0%
Aspire Richmond Hill	Market	Family	95.0%
Cedar Ridge	Market	Family	100.0%
Annaberg Apartments	Market	Family	100.0%
Helios Apartments	Market	Family	98.0%
Aumond Villa	Market	Family	100.0%
River Glen Apartments	Section 8	Family	100%
East Augusta Commons	LIHTC	Family	97%
St. Johns Towers	Section 8	Senior	100%
Linden Square Apartments	LIHTC	Family	100%
Freedoms Path at Augusta	LIHTC	Senior	100%
Forest Brook Apartments	LIHTC	Family	99%
Augusta Springs Senior	LIHTC	Senior	100%
Progressive Cedarwood	LIHTC	Family	99%
Shadowood Apartments	Section 8	Family	100%
Walton Oaks Family	LIHTC	Family	100%
Bon Air Apartments	Section 8	Senior	100%
Legacy at Walton Green Senior*	LIHTC	Senior	99%
Gardens at Harvest Point*	LIHTC	Senior	100%
The Terrace at Edinburgh*	LIHTC	Senior	100%
Weighted Average			97.6%
Compiled by CBRE			
* Utilized as a comparable			

The overall average indicated is 95.9%. We note that one of the properties is operating below 93% are undergoing renovations or recently completed and are still undergoing absorption.

Rehab Developments and PBRA

According the DCA guidelines, “Capture rate calculations for proposed rehab developments will be based on those units that are vacant, or whose tenants will be rent burdened or over income as listed on the Tenant Relocation Spreadsheet provided by the applicant and will be included in the study as an addendum. Tenants who are income qualified to remain in the property at the proposed stabilized renovated rents will be deducted from the property unit count prior to determining the applicable capture rates. If the developer intends to relocate all of the tenants in the property as part of the renovation process, then the property will be evaluated as if it is New

Construction. Units that are subsidized with PBRA or whose rents are more than 20% lower than the rent for other units of the same bedroom size in the same AMI band and comprise less than 10% of the total units in the same AMI band will not be used in determining project demand. In addition, any units, if priced 30% lower than the average market rent for the bedroom type in any income segment, will be assumed to be leasable in the market and deducted from the total number of units in the project for determining capture rates.”

All of the subject’s 135 rentable units will benefit from a Section 8 contract subsidy and therefore these units are presumed leasable.

Capture Rates

As previously illustrated, the renter household income distribution for the PMA is as follows:

SENIOR RENTER HOUSEHOLD INCOME DISTRIBUTION - PMA						
Income Cohort	2021		Projected Market Entry - December 2024		2026	
	Number	Percentage	Number	Percentage	Number	Percentage
<\$15000	2,321	21.8%	2,226	20.7%	2,132	19.7%
\$15000-\$24999	1,670	15.7%	1,627	15.1%	1,583	14.6%
\$25000-\$34999	1,339	12.6%	1,330	12.4%	1,321	12.2%
\$35000-\$49999	1,611	15.1%	1,609	15.0%	1,607	14.8%
\$50000-\$74999	1,604	15.1%	1,682	15.7%	1,760	16.2%
\$75000-\$99999	776	7.3%	815	7.6%	854	7.9%
\$100000-\$149999	680	6.4%	747	7.0%	814	7.5%
\$150000-\$199999	183	1.7%	208	1.9%	232	2.1%
\$200000+	460	4.3%	501	4.7%	542	5.0%
Total	10,645	100%	10,745	100%	10,845	100%

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% WITH SUBSIDY						
Minimum Income Limit	\$0	Maximum Income Limit			\$40,020	
Income Cohort	New Renter Households - Total Change in Households PMA 2021 to Prj Mrkt Entry December 2024		Income Brackets	Percent within Cohort	Renter Households within Bracket	
<\$15000	-94	-94%	\$15,000	100%	-94	
\$15000-\$24999	-44	-43%	\$9,999	100%	-44	
\$25000-\$34999	-9	-9%	\$9,999	100%	-9	
\$35000-\$49999	-2	-2%	\$14,999	33%	-1	
\$50000-\$74999	78	78%				
\$75000-\$99999	39	39%				
\$100000-\$149999	67	67%				
\$150000-\$199999	24	24%				
\$200000+	41	41%				
Total	100	100%			-148	

ASSUMPTIONS - 60% AMI WITH SUBSIDY			
Tenancy	Senior	% of Income Toward Housing	40%
Urban/Rural	Urban	Maximum # of Occupants	3
	Person in Household	1BR	2BR
	1	100%	0%
	2	80%	20%
	3	0%	100%

Demand from New Renter Households 2021 to Prj Mrkt Entry December 2024		
Income Target Population	60% - With Subsidy	
New Renter Households PMA		100
Percent Income Qualified		-148%
		-148
Demand from Existing Households in 2021		
Demand from Rent Overburdened Households		
Income Target Population	60% - With Subsidy	
Total Existing Demand		10,745
Income Qualified		53%
Income Qualified Renter Households		5,721
Percent Rent Overburdened Prj Mrkt Entry December 2024		51%
Rent Overburdened Households		2,910
Demand from Living in Substandard Household		
Income Qualified Renter Households		5,721
Percent Living in Substandard Housing		0.25%
Households Living in Substandard Housing		14
Total Demand		
Total Demand from Existing Households		2,925
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		2925
Total New Demand		-148
Total Demand (New Plus Existing Households)		2,777
Demand from Seniors Who Convert from Homeownership		28
Percent of Total Demand From Homeownership Conversion		1%
Is this Demand Over 2 percent of Total Demand?		No
By Bedroom Demand		
One Person	37%	1027
Two Persons	31%	861
Three Persons	15%	417
Four Persons	9%	250
Five Persons	8%	222
Total	100%	2,777

Capture Rate: 60% - Subsidy in Place

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	1027
Of two-person households in 1BR units	80%	689
Of two-person households in 2BR units	20%	172
Of three-person households in 2BR units	100%	417
Total Demand		2,305

Total Demand (Subject Unit Type)		Less Additions to Supply	Net Demand
1BR	1,716	0	1716
2BR	589	0	589
Total	2,305		2,305

Developer's Unit Mix		Divided by Net Demand	Capture Rate
1BR	129	1716	7.5%
2BR	6	589	1.0%
Total	135	2305	5.9%

CAPTURE RATE – 60% ABSENT SUBSIDY

EXISTING RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% WITHOUT SUBSIDY

Minimum Income Limit	\$25,020	Maximum Income Limit		\$40,020
Income Cohort	Households - Total Change in Households PMA 2021 to Prj Mrkt		Percent within Cohort	Renter Households within Bracket
<\$15000	2,226	21%		
\$15000-\$24999	1,627	15%		
\$25000-\$34999	1,330	12%	\$9,979	100%
\$35000-\$49999	1,609	15%	\$14,999	33%
\$50000-\$74999	1,682	16%		
\$75000-\$99999	815	8%		
\$100000-\$149999	747	7%		
\$150000-\$199999	208	2%		
\$200000+	501	5%		
Total	10,745	100%		1866

NEW RENTER HOUSEHOLD DEMAND BY INCOME COHORT - 60% WITHOUT SUBSIDY

Minimum Income Limit	\$25,020	Maximum Income Limit		\$40,020
Income Cohort	New Renter Households - Total Change in Households PMA 2021 to Prj Mrkt Entry December 2024		Percent within Cohort	Renter Households within Bracket
<\$15000	-94	-94%		
\$15000-\$24999	-44	-43%		
\$25000-\$34999	-9	-9%	\$9,979	100%
\$35000-\$49999	-2	-2%	\$14,999	33%
\$50000-\$74999	78	78%		
\$75000-\$99999	39	39%		
\$100000-\$149999	67	67%		
\$150000-\$199999	24	24%		
\$200000+	41	41%		
Total	100	100%		-10

ASSUMPTIONS - 60% AMI WITHOUT SUBSIDY

Tenancy	Senior	% of Income Toward Housing		40%
Urban/Rural	Urban	Maximum # of Occupants		3
	Person in Household	1BR	2BR	
	1	100%	0%	
	2	80%	20%	
	3	0%	100%	

Demand from New Renter Households 2021 to Prj Mrkt Entry December 2024		
Income Target Population	60% - Without Subsidy	
New Renter Households PMA		100
Percent Income Qualified		17%
		17
Demand from Existing Households in 2021		
Demand from Rent Overburdened Households		
Income Target Population	60% - Without Subsidy	
Total Existing Demand		10,745
Income Qualified		17%
Income Qualified Renter Households		1,866
Percent Rent Overburdened Prj Mrkt Entry December 2024		51%
Rent Overburdened Households		951
Demand from Living in Substandard Household		
Income Qualified Renter Households		1,866
Percent Living in Substandard Housing		0.25%
Households Living in Substandard Housing		5
Total Demand		
Total Demand from Existing Households		956
Adjustment Factor - Leakage from SMA	100%	0
Adjusted Demand from Existing Households		956
Total New Demand		17
Total Demand (New Plus Existing Households)		974
Demand from Seniors Who Convert from Homeownership		10
Percent of Total Demand From Homeownership Conversion		1%
Is this Demand Over 2 percent of Total Demand?	No	
By Bedroom Demand		
One Person	37%	360
Two Persons	31%	302
Three Persons	15%	146
Four Persons	9%	88
Five Persons	8%	78
Total	100%	974

Capture Rate: 60% - Absent Subsidy

To place Person Demand into Bedroom Type Units

Of one-person households in 1BR units	100%	360
Of two-person households in 1BR units	80%	241
Of two-person households in 2BR units	20%	60
Of three-person households in 2BR units	100%	146
Total Demand		826

Total Demand (Subject Unit Type)		Less Additions to Supply	Net Demand
1BR	602	0	602
2BR	224	0	224
Total	826		826

Developer's Unit Mix		Divided by Net Demand	Capture Rate
1BR	129	602	21.4%
2BR	6	224	2.7%
Total	135	826	16.4%

Conclusions

The subject property (as subsidized) indicates an overall capture rate of 5.9% with bedroom types ranging from 7.5% for one-bedroom units and 1.0% for two bedroom units.

Without subsidy, the capture rates are higher but still considered reasonable with an overall capture rate of 16.4%, a one-bedroom capture rate of 21.4% and a two-bedroom capture rate of 2.7%.

The subject's low capture rates are due to the subject's small project size, the subject's variety of unit types, the low amount of new supply in this market, and the increasing household growth trends in the PMA.

DEMAND AND NET DEMAND		
	HH at 60% AMI - Absent Subsidy (\$25,020 to \$40,020 income)	HH at 60% AMI - With Subsidy (\$0 to \$40,020 income)
Demand from New Households (age and income appropriate)	17	-148
PLUS Demand from Existing Renter Households - Substandard Housing	5	14
PLUS Demand from Existing Renter Households - Rent Overburdened Households	951	2,910
PLUS Secondary Market Demand adjustment IF ANY Subject to 15% Limitation	0	0
Subtotal	974	2,777
Demand from Existing Households - Elderly Homeowner Turnover (Limited to 20% where applicable)	0	0
Equals Total Demand	974	2,777
Less		
Competitive New Supply	64	64
Equals Net Demand	910	2,713

CAPTURE RATE ANALYSIS CHART

Unit Type	Units Proposed	Income Limits		Total Demand	Supply	Net Demand	Capture Rate	Absorption	Average Market Rent	Market Rents Band Min	Market Rents Band Max	Proposed Rents
1BR/1BA 60% AMI/HAP	129	\$0	\$35,580	1716	0	1716	7.5%	3 Months	\$967	\$563	\$1,441	\$834
1BR/1BA 60% AMI	129	\$25,020	\$35,580	602	0	602	21.4%	6 Months	\$967	\$563	\$1,441	\$834
2BR/1BA 60% AMI/HAP	6	\$0	\$40,020	589	0	589	1.0%	3 Months	\$1,116	\$640	\$1,603	\$1,000
2BR/1BA 60% AMI	6	\$30,000	\$40,020	224	0	224	2.7%	6 Months	\$1,116	\$640	\$1,603	\$1,000
Overall - With Subsidy	135	0	\$40,020	2305	0	2305	5.9%	3 Months				
Overall - Without Subsidy	135	\$25,020	\$40,020	826	0	826	16.4%	6 Months				

Competitive Rental Analysis

Survey of Comparable Projects

We performed a competitive rental analysis of the local market. We surveyed both market rate and affordable housing rental properties.

We have included a total of eight comparables, three of which are senior LIHTC properties and five are market rate properties. All of the comparables are located within the PMA and within 5.9 miles in generally similar locations.

To locate comparable properties we utilized the CBRE database, CoStar, Axiometrics, www.Rent.com, and wwwApartments.com as well as physically driving the market area and speaking to local property managers. Additionally, we identified comparable properties through discussions with area property managers regarding competition among properties.

The LIHTC comparables were built between 2010 and 2018. The market rate comparables were built between 1855 and 2015.

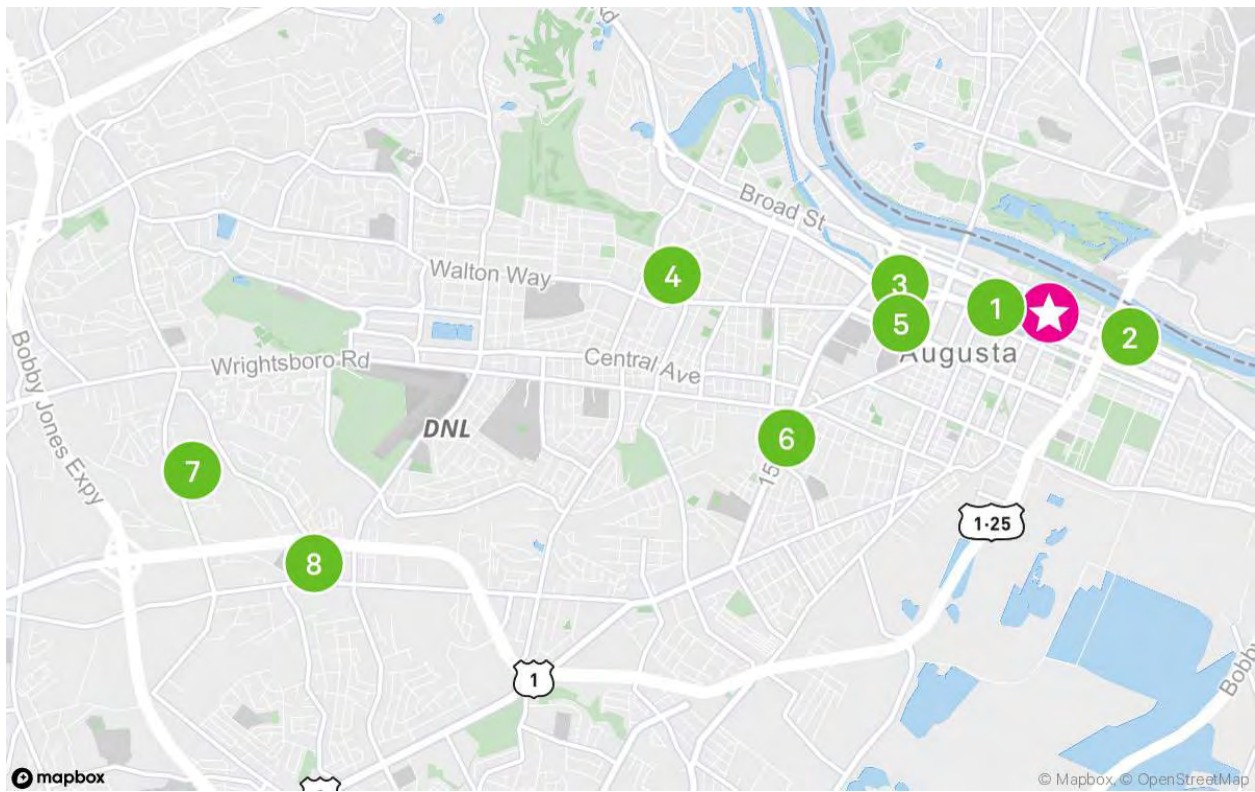
Unit sizes are reported on a net basis for comparable properties, which is the typical basis reported within the apartment industry.

Excluded Properties

The following table illustrates properties that have been excluded from our analysis.

EXCLUDED PROPERTIES			
Project Name	Type	Tenancy	Reason for Exclusion
Maxwell House Apartments	Market	Family	More Comparable Properties
The Downtowner	Market	Family	More Comparable Properties
Azalea Park Apartments	Market	Family	More Comparable Properties
Aspire Richmond Hill	Market	Family	More Comparable Properties
Cedar Ridge	Market	Family	More Comparable Properties
Annaberg Apartments	Market	Family	More Comparable Properties
Helios Apartments	Market	Family	More Comparable Properties
Aumond Villa	Market	Family	More Comparable Properties
River Glen Apartments	Section 8	Family	Subsidized Rents
East Augusta Commons	LIHTC	Family	Subsidized Rents
St. Johns Towers	Section 8	Senior	Subsidized Rents
Linden Square Apartments	LIHTC	Family	Subsidized Rents
Freedoms Path at Augusta	LIHTC	Senior	Subsidized Rents
Forest Brook Apartments	LIHTC	Family	Subsidized Rents
Augusta Springs Senior	LIHTC	Senior	Subsidized Rents
Progressive Cedarwood	LIHTC	Family	Subsidized Rents
Shadowood Apartments	Section 8	Family	Subsidized Rents
Walton Oaks Family	LIHTC	Family	Subsidized Rents
Bon Air Apartments	Section 8	Senior	Subsidized Rents
Millhouse Station	Market	Family	Subsidized Rents

Compiled by CBRE



SUMMARY OF COMPARABLE APARTMENT RENTALS

Comp. No.	Property Name	Location	YOC / Reno'd	Occ.	No. Units	Type	Distance from Subj
1	Cobb House Apartments	1001 Green Street Augusta, GA	1917	94%	21	Market	0.4 Miles
2	Broadway Apartments	335 Broad Street Augusta, GA	1917	93%	40	Market	0.6 Miles
3	Enterprise Mill	1450 Greene Street Augusta, GA	1855 / 1999	93%	60	Market	1.0 Miles
4	Terraces at Summerville	817 Hickman Road Augusta, GA	1972	96%	120	Market	2.6 Miles
5	Canalside	1399 Walton Way Augusta, GA	2015	94%	106	Market	1.0 Miles
6	Legacy at Walton Green Senior LIHTC - Ph I & III	1550 Fifteenth Street Augusta, GA	2018	99%	170	LIHTC	2.0 Miles
7	Gardens at Harvest Point	1901 Harvest Point Way Augusta, GA	2018	100%	256	LIHTC	5.9 Miles
8	The Terrace at Edinburgh - Senior LIHTC	2515 Kennedy Drive Augusta, GA	2010	100%	72	LIHTC	5.3 Miles
Subj.	Richmond Summit	744 Broad St, Augusta, Georgia	Proposed 2024	-	135		---

Compiled by CBRE

Complete comparable write-ups have been included within the addenda of this report.

Housing Choice Vouchers

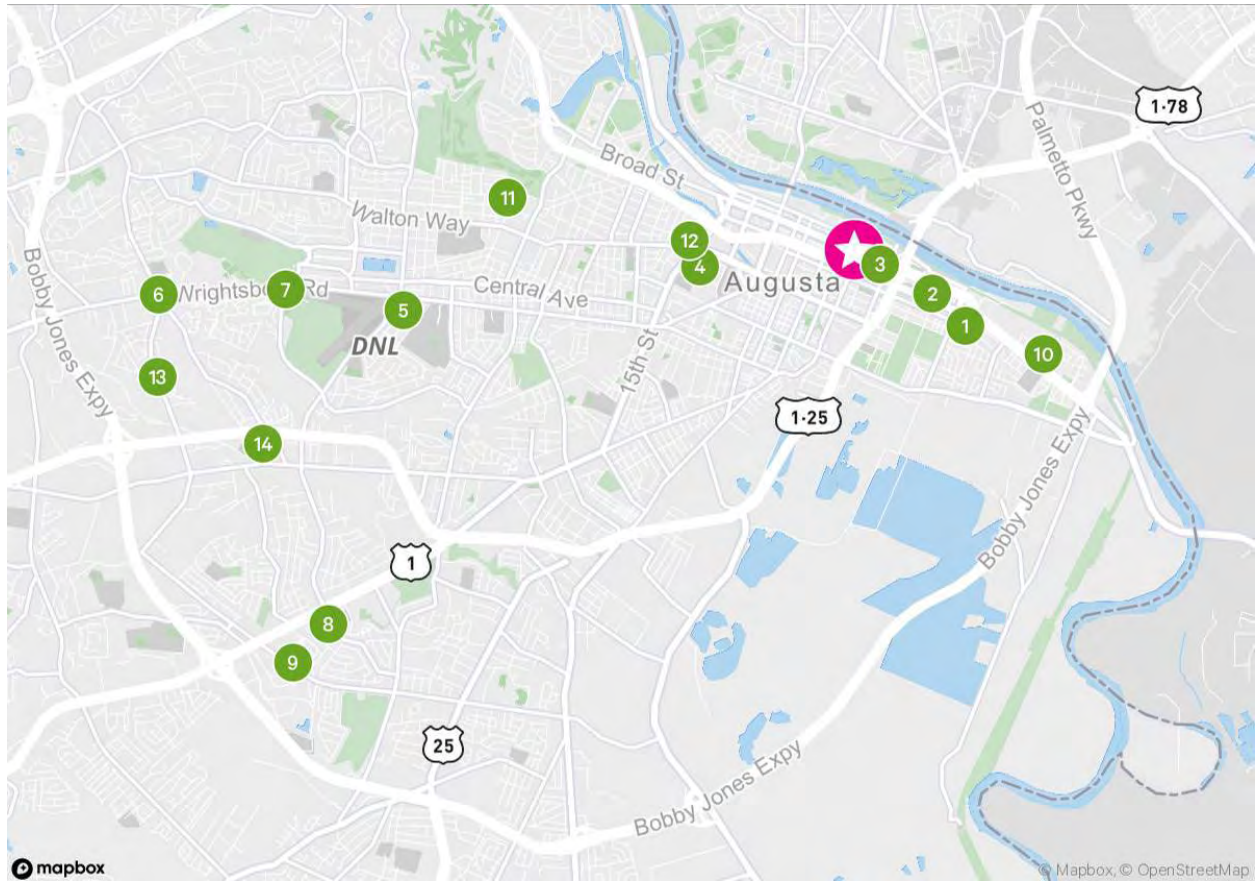
We attempted to contact a representative from the Augusta Housing Authority regarding housing choice vouchers and as of the date of this report, our messages have not received a reply.

Rural Area

The subject is not located within a rural area.

Competitive Property Map

EXISTING ASSISTED RENTAL HOUSING PROPERTY MAP IN PMA



ASSISTED/SUBSIDIZED PROPERTIES IN THE PMA

	Property Name	Program	Tenancy	Occupancy
1	River Glen Apartments	Section 8	Family	100.0%
2	East Augusta Commons	LIHTC	Family	97.0%
3	St. Johns Towers	Section 8	Senior	100.0%
4	Linden Square Apartments	LIHTC	Family	100.0%
5	Freedoms Path at Augusta	LIHTC	Senior	100.0%
6	Forest Brook Apartments	LIHTC	Family	99.0%
7	Augusta Springs Senior	LIHTC	Senior	100.0%
8	Progressive Cedarwood	LIHTC	Family	99.0%
9	Shadowood Apartments	Section 8	Family	100.0%
10	Walton Oaks Family	LIHTC	Family	100.0%
11	Bon Air Apartments	Section 8	Senior	100.0%
12	Legacy at Walton Green Senior	LIHTC	Senior	99.0%
13	Gardens at Harvest Point	LIHTC	Senior	100.0%
14	The Terrace at Edinburgh	LIHTC	Senior	100.0%

Compiled by CBRE

Amenities

The subject's amenity package is considered to be similar to slightly inferior in-unit amenities in comparison to the LIHTC comparables and slightly inferior to inferior to the market-rate comparable properties and generally inferior project amenities. The subject's units offer refrigerators, range/oven, and dishwasher but does not offer a private balcony/patio or garbage disposal, which the majority of comparables include. Further, the subject offers a clubhouse, service coordination and central laundry but does not offer an exercise facility or barbeque area which the majority of the comparables include. Upon the completion of the proposed renovations, the subject will add Alexa enabled call devices, library, fitness center, business center, service coordinator and non-shelter services. Following renovations, the subject will offer similar or slightly superior in-unit and project amenities.

Comparable Tenancy

The subject targets seniors. All of the market rate comparables target families as there is a limited number of market rate senior developments in the PMA that do not offer additional non-shelter services such as meal service, housekeeping and transportation. The affordable comparables utilized all target senior households similar to the subject.

Vacancy

The following table illustrates the vacancy rates in the market.

SUMMARY OF COMPARABLE APARTMENT RENTALS				
Comp. No.	Name	Location	Development Type	Occupancy
1	Cobb House Apartments	1001 Green Street, Augusta, GA	Market Rate	94%
2	Broadway Apartments	335 Broad Street, Augusta, GA	Market Rate	88%
3	Enterprise Mill	1450 Greene Street, Augusta, GA	Market Rate	93%
4	Terraces at Summerville	817 Hickman Road, Augusta, GA	Market Rate	96%
5	Canalside	1399 Walton Way, Augusta, GA	Market Rate	94%
6	Legacy at Walton Green Senior LIHTC - Ph I & III	1550 Fifteenth Street, Augusta, GA	Senior LIHTC	99%
7	Gardens at Harvest Point	1901 Harvest Point Way, Augusta, GA	Senior LIHTC	100%
8	The Terrace at Edinburgh - Senior LIHTC	2515 Kennedy Drive, Augusta, GA	Senior LIHTC	100%
Subject	Richmond Summit	744 Broad St, Augusta, Georgia	LIHTC/Section 8	-

Compiled by CBRE

Comparables 1-5 represent conventional market rate properties, and Comparables 6 through 8 represent senior LIHTC properties.

The affordable properties range between 99% and 100%, and average 99.7%.

The market rate properties range between 88% and 99%, and average 93.8%. Given the level of subsidy, the current waiting list at the subject property, limited turnover as part of the renovation, as well as the recent and current occupancy rates, we do not expect the property to have occupancy issues as proposed.

Given that the subject is an existing property that is 98.5% occupied, we do not believe that the subject will impact the performance of the existing affordable properties if allocated.

Properties Under Construction and Proposed

Based on our research from CoStar, Axiometrics, and conversations with the local planning department. The following table provides a summary of our findings.

UNDER CONSTRUCTION AND PROPOSED						
Project Name	Location	Type	Tenants	Number of Units	Status	Year Complete
The Standard	1112 Greene Street	Market Rate	Family	140	Under Construction	2023
King Mill	Goodrich St and Broad St	Market Rate	Family	240	Under Construction	2023
753 Broad Street	753 Broad Street	Market Rate	Family	68	Proposed	N/A
Archer Green	3112 Damascus Road	Market Rate	Family	240	Proposed	N/A
Kendrick Place	20 Kendrick Place	LIHTC	Family	64	Proposed	N/A

Compiled by CBRE

We are aware of five developments in the PMA. Two of the developments are under construction and three are proposed. Four of the developments are market rate and one is affordable. None of the developments will compete directly with the subject as they all target families and the subject targets senior households.

Average Market Rent

The rentals utilized represent the best data available for comparison with the subject. Comparables 1-5 represent conventional market rate properties, and comparables 6-8 represent senior LIHTC properties.

DISCUSSION/ANALYSIS OF RENT COMPARABLES

Rent Comparable One

This comparable rental represents the Cobb House Apartments, a 21-unit walk-up-style property at 1001 Green Street, Augusta, GA. The improvements were originally constructed in 1917 and were considered in average condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 776 square feet. Project/unit amenities include the following: courtyard, laundry facility, flat roofs, gated / controlled access, individual split systems, 9-foot ceilings, dishwasher, granite countertops, plank flooring, range / oven, refrigerator, stainless steel appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.29 per square foot monthly (\$999/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash & pest control and no concessions are currently offered. The property is currently 94% leased. Rental is located in historic downtown Augusta along

Green Street. Originally constructed in 1917, the property was completely renovated in the late 1980s and again in 2016. The building is three stories with controlled access. Unit amenities include a refrigerator, stove, dishwasher, disposal and carpeting. The property includes two laundry rooms, but no washer/dryer connections. There are no utilities included in the monthly rental rates. Currently, the property is 94% occupied. Units are sub-metered for water and sewer with the tenant responsible for usage. Trash and pest control are included in the monthly rental rates. Due to occupancy, no concessions are currently being offered.

Upon renovation, the subject's units will be considered slightly superior with respect to age/condition, superior with respect to amenities, and similar with respect to location. Overall, this comparable will be considered similar.

Rent Comparable Two

This comparable rental represents the Broadway Apartments, a 40-unit walk-up-style property at 335 Broad Street, Augusta, GA. The improvements were originally constructed in 1917 and were considered in average condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 1,034 square feet. Project/unit amenities include the following: barbeque area, courtyard, flat roofs, gated / controlled access, individual split systems, on-site management, surface parking, carpeted flooring, ceiling fans, dishwasher, granite countertops, plank flooring, range / oven, refrigerator, stainless steel appliances, tub / shower combo. According to the unit mix and asking rates for this property, the average base rental rate is \$1.06 per square foot monthly (\$1,091/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash & pest control and no concessions are currently offered. The property is currently 88% leased. This property is located along a major thoroughfare in the "Old Town" section of Augusta. While the property was originally constructed in 1917, it was renovated extensively in the late 1980s and again in 2018. Currently, the property is 88% occupied. Management indicated the COVID-19 Pandemic along with a few management changes have impacted occupancy at the property. The property is in good condition. Units feature stainless steel appliances, granite countertops, hardwood, and carpeted floors. Units are sub-metered for water and sewer with the tenant responsible for usage. Trash and pest control are included in the monthly rental rates.

Upon renovation, the subject's units will be considered slightly superior with respect to age/condition, superior with respect to amenities, and slightly inferior with respect to location. Overall, this comparable will be considered similar.

Rent Comparable Three

This comparable rental represents the Enterprise Mill Apartments, a 60-unit lofts-styl property at 1450 Greene Street, Augusta, GA. The improvements were originally constructed in 1855 and were considered in good condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 1,003 square feet. Project/unit

amenities include the following: barbeque area, business center, clubhouse, fitness center, laundry facility, on-site security, gated / controlled access, individual split systems, on-site management, surface parking, dishwasher, microwave oven, washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$1.28 per square foot monthly (\$1,017/unit), based upon typical lease terms of 12 months. No rent premiums were reported. No utilities are included with the rent and no concessions are currently offered. The property is currently 93% leased. The residential component includes 60 residential units with approximately 60,194 square feet of rentable area. The apartment component comprises a predominant mix of studio, one and two bedroom units, plus two three-bedroom layouts, with modern design and average quality finishes/fixtures and average amenity packages, including w/d connections, dishwasher, 24 hour security/controlled access, fitness center and conference center. Currently, the property is 93% occupied. Units are sub-metered for water and sewer with the tenant responsible for usage. No concessions are currently being offered.

Upon renovation, the subject's units will be considered similar with respect to age/condition, superior with respect to amenities, and inferior with respect to location. Overall, this comparable will be considered inferior.

Rent Comparable Four

This comparable rental represents the Terraces at Summerville Apartments, a 120-unit garden-style property at 817 Hickman Road, Augusta, GA. The improvements were originally constructed in 1972 and were considered in average condition at the time of our research. The structure's exterior walls depict brick construction components and the average unit size is 821 square feet. Project/unit amenities include the following: barbeque area, fitness center, laundry facility, pool, tennis court, flat roofs, individual split systems, on-site management, surface parking, 8-foot ceilings, carpeted flooring, ceiling fans, dishwasher, granite countertops, microwave oven, plank flooring, private patios / balconies, range / oven, refrigerator, stainless steel appliances. According to the unit mix and asking rates for this property, the average base rental rate is \$1.19 per square foot monthly (\$972/unit), based upon typical lease terms of 6 months. Rent premiums were reported as units with a balcony. Utilities included with the rent are trash and pest control and no concessions are currently offered. The property is currently 96% leased. This comparable represents a 120-unit garden-style apartment property, located along a secondary street in an affluent neighborhood area near Walton Way. The property, identified as Terraces at Summerville, was developed in 1972 and is currently 96% occupied. This property was formally Oak Hill apartments. The property offers one- and two-bedroom floor plans, with an average unit size of 821 square feet. Quoted rent range includes a premium for units with a balcony. Management employs a RUBS for reimbursement of water and sewer. Trash removal and pest control are included in the monthly rental rates. The property was recently renovated with gourmet kitchens that are home to stainless steel, efficient kitchen appliances, washer and dryer units, plank flooring, granite countertops, built-in microwaves, and brushed nickel fixtures. No concessions are currently being offered.

Upon renovation, the subject's units will be considered similar with respect to age/condition, similar with respect to amenities, and inferior with respect to location. Overall, this comparable will be considered slightly inferior.

Rent Comparable Five

This comparable rental represents the Canalside Apartments, a 106-unit garden-style property at 1399 Walton Way, Augusta, GA. The improvements were originally constructed in 2015 and were considered in good condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 675 square feet. Project/unit amenities include the following: barbeque area, fitness center, outdoor fireplace, flat roofs, gated / controlled access, on-site management, surface parking, carpeted flooring, ceiling fans, dishwasher, garbage disposal, granite countertops, microwave oven, range / oven, refrigerator with icemaker, stainless steel appliances, vinyl flooring, washer / dryer. According to the unit mix and asking rates for this property, the average base rental rate is \$1.86 per square foot monthly (\$1,247/unit), based upon typical lease terms of 6 months. Rent premiums are discussed further below. Utilities included with the rent are trash & pest control and no concessions are currently offered. The property is currently 94% leased. This comparable represents a 106-unit apartment property, with surface parking, located across from University Hospital on a narrow 2.5-acre plat at the corner of Walton and St. Sebastian Ways in Augusta, Georgia. The property, identified as Canalside, was developed in 2015. The property achieved stabilization in early summer 2016 and is now operating at a stabilized occupancy of 94%. Management indicated the first move-in occurred in June 2015. The property charges the following premiums for floor level and views: \$10 (1st floor), no charge for 2nd floor, \$20 (3rd floor), \$30 (4th floor), and \$20 (canal view). Additional storage units lease for \$50 per month. The comparable offers one- and two-bedroom floor plans, with an average unit size of 669 square feet. The subject units are individually metered for water/sewer and electric, with a third party (APEX) responsible for billing tenants for their respective usage (sub-metered water/sewer). Trash and pest control are included in the quoted rents. Management is not currently offering any concessions.

Upon renovation, the subject's units will be considered superior with respect to age/condition, similar with respect to amenities, and inferior with respect to location. Overall, this comparable will be considered similar.

Rent Comparable Six

This comparable rental represents the Legacy at Walton Green Senior LIHTC Apartments, a 170-unit subsidized-style property at 1550 Fifteenth Street, Augusta, GA. The improvements were originally constructed in 2018 and were considered in good condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 887 square feet. Project/unit amenities include the following: clubhouse, courtyard, fitness center, laundry facility, age restricted, gated / controlled access, lihtc (low income housing tax

credit), pitched roofs, 9-foot ceilings, black appliances, carpeted flooring, dishwasher, double-pane windows, garbage disposal, granite countertops, microwave oven, plank flooring, private patios / balconies, range / oven, refrigerator. According to the unit mix and asking rates for this property, the average base rental rate is \$0.89 per square foot monthly (\$793/unit), based upon typical lease terms of 12 months. Rent premiums are discussed further below. Utilities included with the rent are trash removal and pest control and no concessions are currently offered. The property is currently 99% leased. This comparable represents Phase I an 80-unit senior (55+) and Phase III a 90-unit family apartment community located in Augusta, Georgia. Phase I was developed in 2018 and leased to a stabilized occupancy position by October 31, 2018. Phase III was completed in 2020. The property is partially rent and income restricted to residents earning 60% of the area median income or less (LIHTC, public housing, and market rate). Phase II is proposed and has not been constructed yet. Phase III consists of a mixture of market rate and income restricted units and all one-bedroom, one-bath. Quoted rent range on select floor plans includes a premium for units with no patio. The survey is indicative of tax credit units and market rate units only. The public housing rental rates were not provided as they are not relevant indicators of either market or tax credit rental rates. Monthly rental rates are inclusive of trash removal and pest control. Residents are responsible for payment of all other utilities separately which are metered. Pest control is included in the monthly rental rate. No concessions are currently being offered.

Upon renovation, the subject's units will be considered similar with respect to age/condition, superior with respect to amenities, and similar with respect to location. Overall, this comparable will be considered slightly inferior.

Rent Comparable Seven

This comparable rental represents the Gardens at Harvest Point Apartments, a 256-unit garden-style property at 1901 Harvest Point Way, Augusta, GA. The improvements were originally constructed in 2018 and were considered in average condition at the time of our research. The structure's exterior walls depict brick veneer construction components and the average unit size is 1,113 square feet. Project/unit amenities include the following: clubhouse, dog park / run, fitness center, laundry facility, pool, theater, gated / controlled access, lihtc (low income housing tax credit), carpeted flooring, dishwasher, garbage disposal, laminate countertops, private patios / balconies, range / oven, refrigerator, vinyl flooring, washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$0.72 per square foot monthly (\$802/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are water, sewer, trash and no concessions are currently offered. The property is currently 100% leased. The property is subject to LIHTC pricing restrictions and rents to residents earning 60% of the area median income. Community amenities include a fitness center, clubhouse, business center, laundry facility, and leasing office. Units feature washer/dryer connections and fully-equipped kitchens with black appliances. Water, sewer and trash are included in the quoted rental rates.

Upon renovation, the subject's units will be considered superior with respect to age/condition, superior with respect to amenities, and similar with respect to location. Overall, this comparable will be considered slightly inferior.

Rent Comparable Eight

This comparable rental represents the The Terrace at Edinburgh - Senior LIHTC Apartments, a 72-unit subsidized-style property at 2515 Kennedy Drive, Augusta, GA. The improvements were originally constructed in 2010 and were considered in average condition at the time of our research. The structure's exterior walls depict vinyl siding construction components and the average unit size is 1,113 square feet. Project/unit amenities include the following: barbeque area, business center, clubhouse, fitness center, laundry facility, age restricted, individual split systems, lihtc (low income housing tax credit), pitched roofs, black appliances, dishwasher, plank flooring, private patios / balconies, range / oven, refrigerator, washer / dryer connections. According to the unit mix and asking rates for this property, the average base rental rate is \$0.51 per square foot monthly (\$562/unit), based upon typical lease terms of 12 months. No rent premiums were reported. Utilities included with the rent are trash removal and no concessions are currently offered. The property is currently 100% leased. This comparable represents a 72 unit apartment property located on Kennedy Drive in Augusta, GA. The property, identified as The Terrace at Edinburgh, was developed in 2010 and is currently 100% occupied with a waitlist. The property is subject to LIHTC pricing restrictions and rents to residents earning 50% and 60% of the area median income. Community amenities include a fitness center, clubhouse, business center, laundry facility, and leasing office. Units feature washer/dryer connections and fully-equipped kitchens with black appliances. Trash removal is included with rent. Water/sewer is individually metered with the tenant responsible for usage. Management is not currently offering concessions.

Upon renovation, the subject's units will be considered superior with respect to age/condition, superior with respect to amenities, and similar with respect to location. Overall, this comparable will be considered slightly inferior.

MARKET RENT ESTIMATE

In order to estimate the market rates for the various floor plans, the subject unit types have been compared with similar units in the comparable projects.

Per DCA's market study guidelines, "average market rent is to be a reflection of rents that are achieved in the market. In other words, the rents the competitive properties are currently receiving. Average market rent is not 'Achievable unrestricted market rent.'

The following is a discussion of each unit type.

One-Bedroom Units

SUMMARY OF COMPARABLE RENTALS ONE BEDROOM UNITS				
Comparable	Plan Type	Size	Rental Rates	
			\$/Mo.	\$/SF
The Terrace at Edinburgh - Senior LIHTC	1BR/1BA - 60% AMI	1,000 SF	\$563	\$0.56
Legacy at Walton Green Senior LIHTC - Ph I & III	1BR/1BA - 60% AMI	766 SF	\$667	\$0.87
Gardens at Harvest Point	1BR/1BA @ 60% AMI	788 SF	\$674	\$0.86
Subject (CBRE Achievable LIHTC Rents)	1BR/1BA	607 SF	\$834	\$1.37
Subject (Maximum Allowable LIHTC)	1BR/1BA	607 SF	\$834	\$1.37
Legacy at Walton Green Senior LIHTC - Ph I & III	1BR/1BA - MKT	766 SF	\$870	\$1.14
Subject (CBRE Achievable As Is Market Rent)	1BR/1BA	607 SF	\$895	\$1.10
Terraces at Summerville	1BR/1BA	705 SF	\$909 - \$918	\$1.30
Broadway Apartments	1BR/1BA	612 SF	\$915	\$1.50
Enterprise Mill	1BR,1BA Flat	667 SF	\$920	\$1.38
Cobb House Apartments	1BR/1BA	650 SF	\$945	\$1.45
Enterprise Mill	1BR,1BA Loft	720 SF	\$950	\$1.32
Cobb House Apartments	1BR/1BA	800 SF	\$955	\$1.19
Subject (CBRE Post Renovation Market Rents)	1BR/1BA	607 SF	\$1,040	\$1.71
Canalside	1BR/1BA	589 SF	\$1,155	\$1.96
Canalside	1BR/1BA	567 SF	\$1,156	\$2.04
Canalside	1BR/1BA	610 SF	\$1,182	\$1.94
Canalside	1BR/1BA	674 SF	\$1,200	\$1.78
Canalside	1BR/1BA	780 SF	\$1,441	\$1.85

Compiled by CBRE

The comparables indicate an average market rent of \$967 per unit, considering the affordable and market rate units.

Two-Bedroom Units

SUMMARY OF COMPARABLE RENTALS TWO BEDROOM UNITS				
Comparable	Plan Type	Size	Rental Rates	
			\$/Mo.	\$/SF
The Terrace at Edinburgh - Senior LIHTC	2BR/1BA - 60% AMI	1,150 SF	\$640	\$0.56
Gardens at Harvest Point	2BR/2BA @ 60% AMI	1,140 SF	\$806	\$0.71
Legacy at Walton Green Senior LIHTC - Ph I & III	2BR/2BA - 60% AMI	986-1,170 SF	\$808	\$0.75
Legacy at Walton Green Senior LIHTC - Ph I & III	2BR/2BA - Market	986-1,170 SF	\$975	\$0.90
Subject (CBRE Achievable As Is Market Rent)	2BR/1BA	926 SF	\$1,040	\$1.12
Broadway Apartments	2BR/2BA	1,060 SF	\$1,060	\$1.00
Terraces at Summerville	2BR/1BA	1,020 SF	\$1,069 - \$1,079	\$1.05
Subject (Maximum Allowable LIHTC)	2BR/1BA	926 SF	\$1,000	\$0.55
Subject (CBRE Achievable LIHTC Rents)	2BR/1BA	926 SF	\$1,000	\$1.38
Broadway Apartments	2BR/2BA	1,125 SF	\$1,162	\$1.03
Broadway Apartments	2BR/2BA	1,225 SF	\$1,177	\$0.96
Enterprise Mill	2BR,1BA Flat	924 SF	\$1,179	\$1.28
Enterprise Mill	2BR,1BA Loft	1,014 SF	\$1,189	\$1.17
Subject (CBRE Post Renovation Market Rents)	2BR/1BA	926 SF	\$1,275	\$1.38
Cobb House Apartments	2BR/2BA	1,230 SF	\$1,300	\$1.06
Canalside	2BR/2BA	1,148 SF	\$1,544	\$1.34
Canalside	2BR/2BA	967 SF	\$1,603	\$1.66

Compiled by CBRE

The comparables indicate an average market rent of \$1,116 per unit, considering the affordable and market rate units.

MARKET RENT CONCLUSIONS

The subject represents a property currently subsidized by a Section 8 contract and will continue to be subsidized following the completion of the planned renovation. These contract rents are based on market levels; therefore, we have not considered the restricted rents within our estimation of market rent.

The following table illustrates the current HAP contract rents.

MARKET RENT CONCLUSIONS - AS IS									
No. Units	Unit Type	Unit Size	Total SF	Monthly Rent			Annual Rent		Annual Total
				\$/Unit	\$/SF	PRI	\$/Unit	\$/SF	
129	1BR/1BA	607 SF	78,303 SF	\$895	\$1.47	\$115,455	\$10,740	\$17.69	\$1,385,460
6	2BR/1BA	926 SF	5,556 SF	\$1,120	\$1.21	\$6,720	\$13,440	\$14.51	\$80,640
135		621 SF	83,859 SF	\$905	\$1.46	\$122,175	\$10,860	\$17.48	\$1,466,100

Compiled by CBRE

The following table assumes the completion of the planned renovation.

MARKET RENT CONCLUSIONS - AS RENOVATED									
No. Units	Unit Type	Unit Size	Total SF	Monthly Rent			Annual Rent		Annual Total
				\$/Unit	\$/SF	PRI	\$/Unit	\$/SF	
129	1BR/1BA	607 SF	78,303 SF	\$1,040	\$1.71	\$134,160	\$12,480	\$20.56	\$1,609,920
6	2BR/1BA	926 SF	5,556 SF	\$1,275	\$1.38	\$7,650	\$15,300	\$16.52	\$91,800
135		621 SF	83,859 SF	\$1,050	\$1.69	\$141,810	\$12,605	\$20.29	\$1,701,720

Compiled by CBRE

The table above reflects the expected HAP contract rents post renovation, which we believe also reflect market rents.

Rental Advantage

The following table illustrates the subject's proposed LIHTC rents to the comparable properties.

SUBJECT COMPARISON TO COMPARABLE RENTS - MARKET RENTS							
Unit Type	Subject Proposed			Surveyed Minimum	Surveyed Maximum	Surveyed Average	Rent Advantage
	LIHTC Rent						
1BR/1BA - 60% AMI	\$834			\$563	\$1,441	\$967	16%
2BR/1BA - 60% AMI	\$1,000			\$640	\$1,603	\$1,116	12%

Compiled by CBRE

The proposed 60% AMI rents are well below the surveyed average of the rent comparables for each bedroom type. The proposed rents indicate a 12% to 16% rent advantage to comparable properties (market rate and affordable). This emphasizes the strong demand for affordable housing in this market.

DCA Funded Projects within PMA

According to the DCA Program Awards Database, there has been one project funded within the PMA over the previous three years. Kenrcik place is still in the planning stages and has not yet begun construction. The development received funding in 2021 and is to be located at 20 Kenrcik Place in Augusta, GA. The development will offer 64 affordable units targeted towards

families and a completion date was not yet available. The development will not directly compete with the subject as it does not target seniors.

Rental Trends in the PMA

The following table illustrates tenure patterns in the PMA.

SENIOR TENURE PATTERNS PMA (55+)				
Year	Owner Occupied Units	Percentage Owner Occupied	Renter-Occupied Units	Percentage Renter Occupied
2026	12,730	36.9%	8,610	63.1%
2024 Projected Market Entry	12,571	38.6%	8,077	61.4%
2021	12,668	40.3%	8,016	59.7%
2010	13,197	44.5%	6,518	55.5%
2000	11,606	49.1%	4,567	50.9%

Source: ESRI

As illustrated, the number of senior renter occupied housing units is greater than the senior owner-occupied housing units. The proportion of renter occupied housing units has increase since 2000, a trend that is expected to continue through 2026.

METROPOLITAN AUGUSTA - GA APARTMENT MARKET OVERVIEW

Recent Performance

The following table summarizes historical and projected performance for the overall metropolitan Augusta - GA apartment market, as reported by CoStar.

AUGUSTA - GA APARTMENT MARKET (CLASS B & C)								
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Asking Rent (\$/Unit / Mo.)	Asking Rent Change	Net Absorption (Units)	Transaction Price Per Area (Units)
2016	20,113	580	18,020	89.6%	\$765	2.09%	134	\$83,359
2017	20,099	-14	18,288	91.0%	\$792	3.51%	268	\$47,755
2018	20,379	280	18,430	90.4%	\$821	3.71%	142	\$59,547
2019	20,727	348	18,888	91.1%	\$852	3.72%	459	\$94,840
Q1 2020	20,727	0	19,118	92.2%	\$854	0.31%	230	\$98,863
Q2 2020	20,727	0	19,423	93.7%	\$866	1.35%	305	\$82,427
Q3 2020	20,727	0	19,456	93.9%	\$883	2.00%	33	\$73,181
Q4 2020	20,736	9	19,474	93.9%	\$898	1.71%	19	\$91,268
2020	20,736	9	19,474	93.9%	\$898	5.46%	587	\$91,268
Q1 2021	20,736	0	19,561	94.3%	\$918	2.18%	87	\$77,262
Q2 2021	20,736	0	19,482	94.0%	\$943	2.74%	-79	\$85,176
Q3 2021	20,891	155	19,549	93.6%	\$978	3.79%	67	\$112,409
Q4 2021	21,405	514	19,420	90.7%	\$994	1.56%	-129	\$102,204
2021	21,405	669	19,420	90.7%	\$994	10.67%	-54	\$102,204
2022*	21,440	35	19,711	91.9%	\$1,069	7.54%	291	\$0
2023*	21,569	129	19,713	91.4%	\$1,121	4.85%	3	\$0
2024*	21,689	120	19,813	91.3%	\$1,155	3.07%	100	\$0
2025*	21,835	146	19,867	91.0%	\$1,179	2.07%	54	\$0
2026*	21,982	147	19,906	90.6%	\$1,195	1.36%	38	\$0

* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

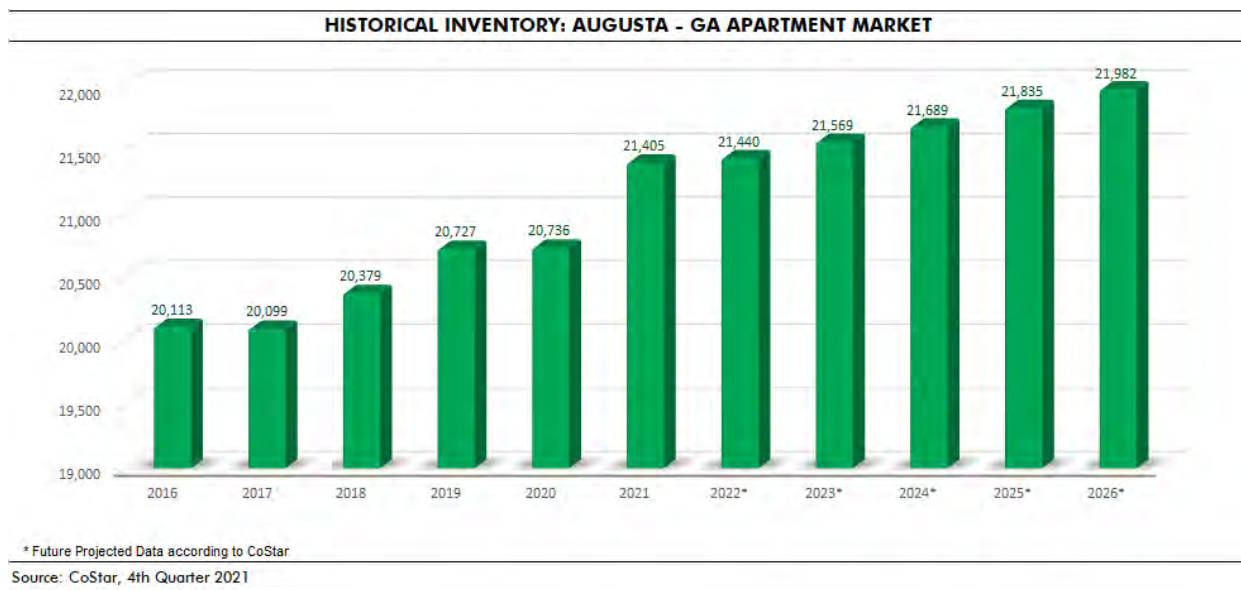
The Augusta - GA apartment market consists of approximately 21,405 units of apartment space. The following observations are noted from the table above:

- As of 4th Quarter 2021, there were approximately 19,420 units of occupied apartment space, resulting in an occupancy rate of 90.7% for the metro area. This reflects a decrease

from the previous quarter’s occupancy of 93.6%, and a decrease from an occupancy rate of 93.9% from last year.

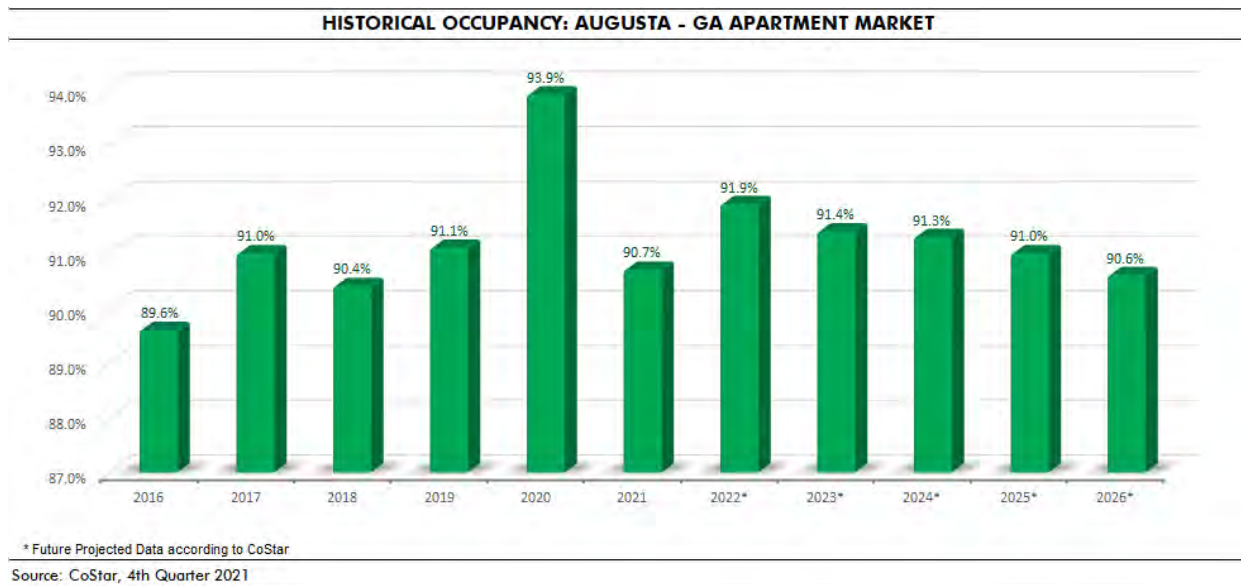
- The area experienced negative 129 units of net absorption for the current quarter. This indicates a decline from the previous quarter’s positive 67 units of net absorption, and a decline from the positive 587 units of net absorption from last year.
- The area had completions of positive 514 units for the current quarter, which indicates an increase from the previous quarter’s completions of positive 155 units, and indicates an improvement from completions of positive 9 units from last year.
- The area achieved average asking rent of \$994 per unit, which indicates an increase from the previous quarter’s asking rent of \$978 per unit, and an increase from the asking rent of \$898 per unit from last year.

Historical Inventory – Market



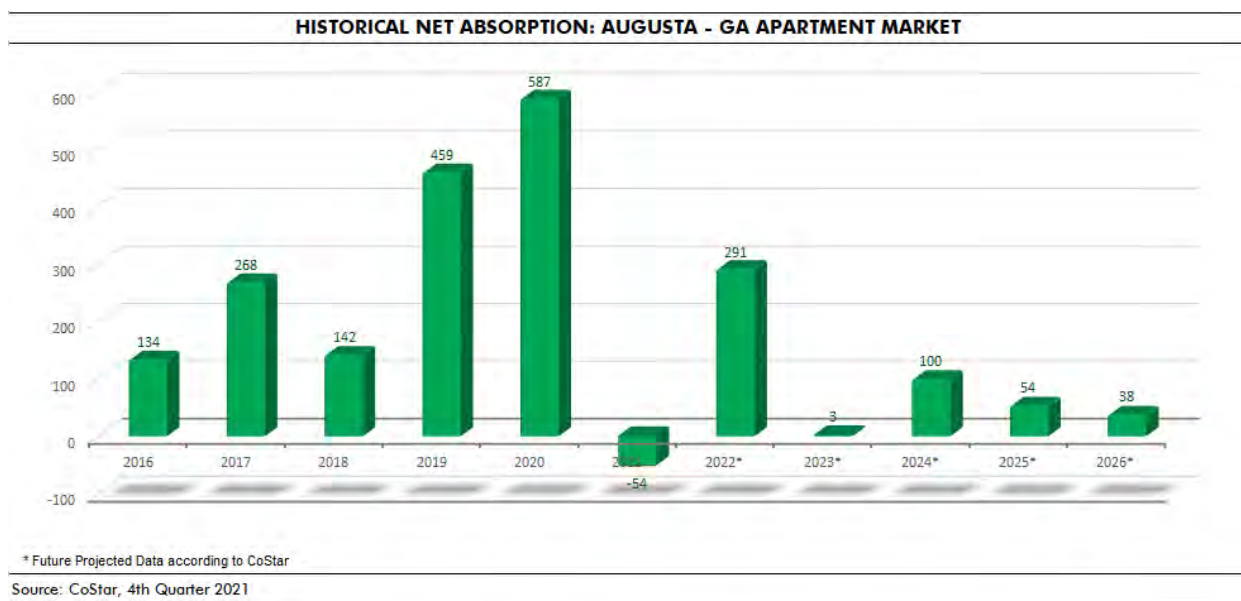
Inventory is projected to be 21,405 units at the end of the current year, which represents an increase from the previous year’s inventory of 20,736 units. Inventory for next year is projected to be 21,440 units, reflecting an increase from the current year.

Historical Occupancy - Market



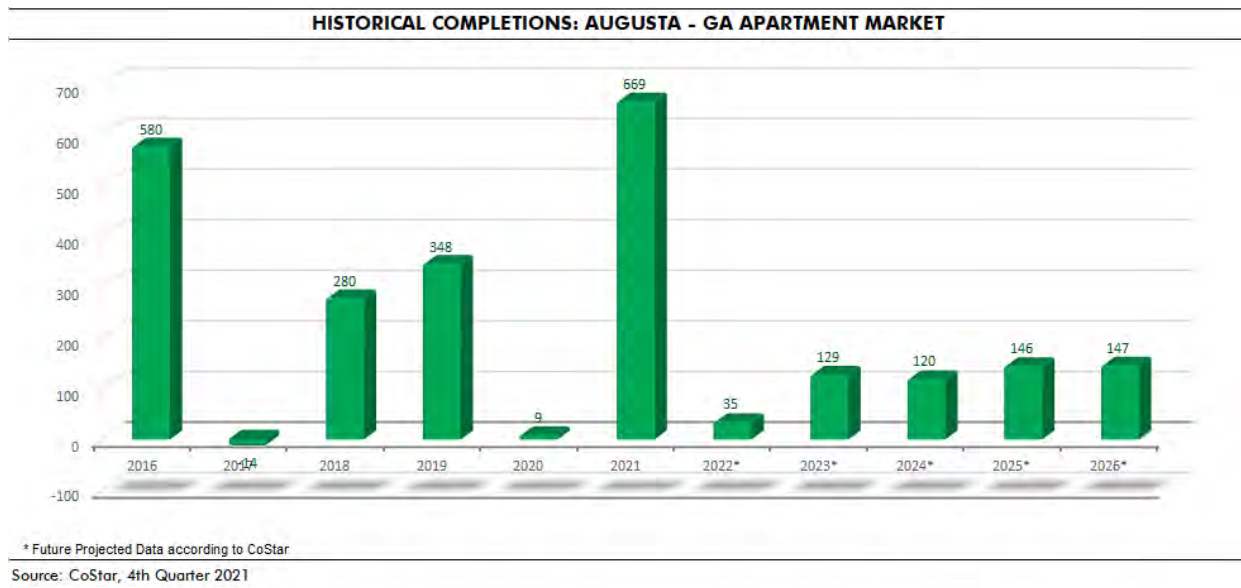
At the end of the current year, the occupancy rate is projected to be 90.7%, which reflects a decrease from the 93.9% occupancy rate at the end of last year. Occupancy for next year is projected to be 91.9%, reflecting an increase from the current year.

Historical Net Absorption - Market



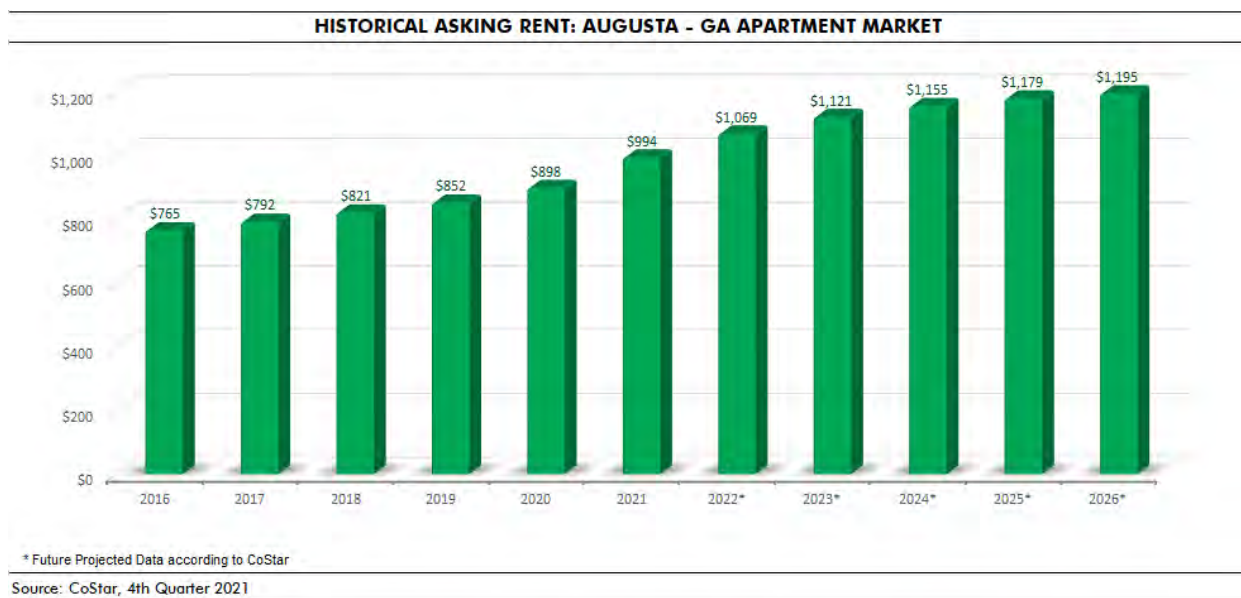
At the end of the current year, the area is projected to experience negative 54 units of net absorption, which indicates a decline from the positive 587 units of net absorption for the previous year. The area is projected to experience positive 291 units of net absorption as of the end of next year, which indicates an improvement from the current year.

Historical Completions - Market



The area is projected to achieve completions of positive 669 units for the current year, which indicates an improvement from the previous year’s completions of positive 9 units. The area is projected to experience completions of positive 35 units as of the end of next year, which indicates a decline from the current year.

Historical Asking Rent - Market



The area is projected to achieve average asking rent of \$994 per unit at the end of the current year, which indicates an increase from the previous year’s asking rent of \$898 per unit. The area is projected to achieve asking rent of \$1,069 per unit by the end of next year, indicating an increase from the current year.

SUBMARKET SNAPSHOT

The following table summarizes the supply of apartment units for each submarket within the Augusta - GA market as of 4th Quarter 2021.

AUGUSTA - GA APARTMENT SUBMARKET SNAPSHOT (CLASS B & C)				
Submarket	Inventory (Units)	Completions* (Units)	Asking Rent (\$/Unit / Mo.)	Occupancy
Burke County	8	0	\$508	95.8%
Central Augusta	11,750	155	\$974	91.8%
Columbia County	2,649	274	\$1,180	87.5%
Edgefield County	64	0	\$505	95.8%
McDuffie County	185	0	\$689	96.7%
North Augusta	1,804	0	\$1,031	91.4%
Outlying Aiken County	2,051	0	\$1,065	94.4%
South Richmond County	2,894	240	\$853	85.7%

*Completions include trailing 4 quarters

Source: CoStar, 4th Quarter

Downtown Augusta Submarket

Important characteristics of the Downtown Augusta apartment market are summarized below:

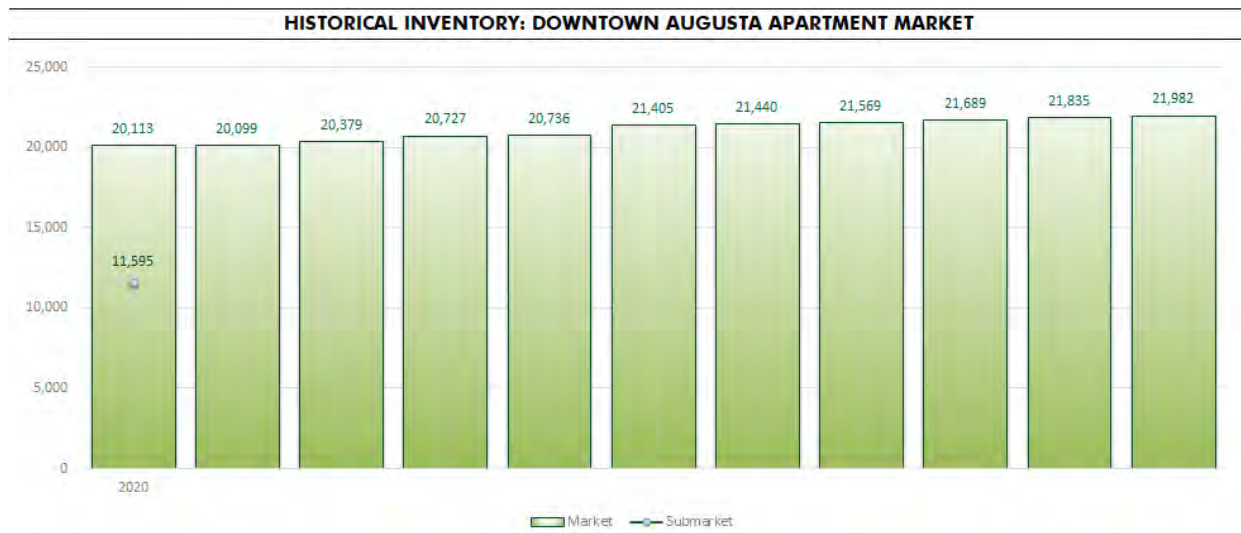
DOWNTOWN AUGUSTA APARTMENT SUBMARKET (CLASS B & C)							
Year Ending	Inventory (Units)	Completions (Units)	Occupied Stock (Units)	Occupancy	Asking Rent (\$/Unit / Mo.)	Asking Rent Change	Net Absorption (Units)
Q1 2020	11,586	0	10,577	91.3%	\$833	0.56%	186
Q2 2020	11,586	0	10,838	93.5%	\$844	1.31%	261
Q3 2020	11,586	0	10,828	93.5%	\$864	2.37%	-10
Q4 2020	11,595	9	10,812	93.2%	\$880	1.81%	-16
2020	11,595	9	10,812	93.2%	\$880	6.19%	421
Q1 2021	11,595	0	10,856	93.6%	\$897	1.94%	44
Q2 2021	11,595	0	10,761	92.8%	\$922	2.85%	-95
Q3 2021	11,750	155	10,888	92.7%	\$959	4.02%	127
Q4 2021	11,750	0	10,790	91.8%	\$974	1.52%	-98

*Future Projected Data according to CoStar
Source: CoStar, 4th Quarter 2021

The Downtown Augusta apartment submarket consists of approximately 11,750 units of apartment space. The current submarket inventory represents approximately 54.9% of the overall market inventory. The following observations were noted from the table above:

- As of 4th Quarter 2021, there were approximately 10,790 units of occupied apartment space, resulting in an occupancy rate of 91.8% for the submarket. This reflects a decrease from the previous quarter's occupancy of 92.7%, and a decrease from an occupancy rate of 93.2% from last year. The submarket occupancy is above the 90.7% market occupancy.
- The submarket experienced negative 98 units of net absorption for the current quarter. This indicates a decline from the previous quarter's positive 127 units of net absorption, and a decline from the positive 421 units of net absorption from a year ago. Overall, the submarket has experienced negative 22 units of net absorption for the current year-to-date period. The submarket's current net absorption of negative 98 units compares favorably with the overall market net absorption of negative 129 units.
- The submarket had zero completions for the current quarter, which indicates a decrease from the previous quarter's completions of positive 155 units, and a decrease from the completions of positive 9 units from last year.
- The submarket achieved average asking rent of \$974 per unit, which indicates an increase from the previous quarter's asking rent of \$959 per unit, and an increase from the asking rent of \$880 per unit from last year. The submarket's current asking rent of \$974 per unit is below the overall market asking rent of \$994 per unit.

Historical Inventory - Submarket

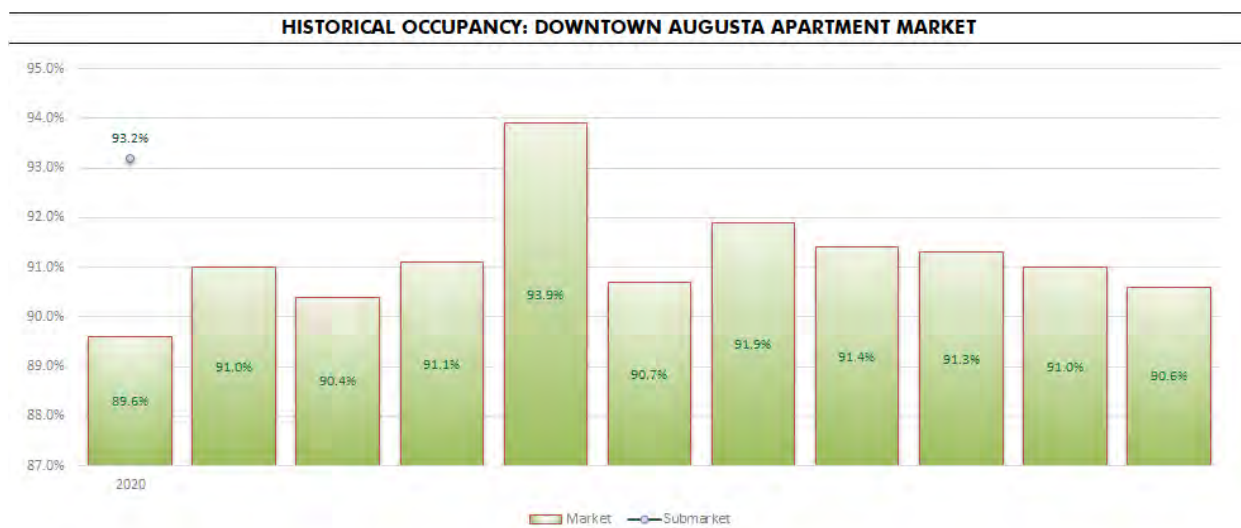


* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

Submarket Inventory is projected to be 11,750 units at the end of the current year, which represents an increase from the previous year’s submarket inventory of 11,595 units. Inventory for next year is projected to be 11,747 units, reflecting a decrease from the current year.

Historical Occupancy - Submarket

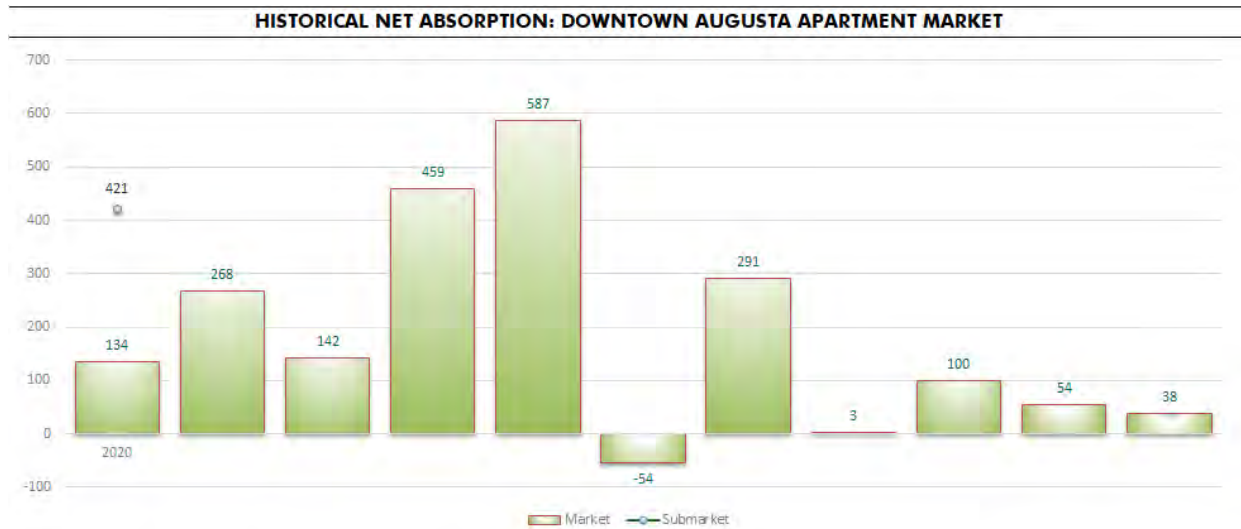


* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

Submarket occupancy is projected to be 91.8% at the end of the current year, which represents a decrease from the previous year’s submarket occupancy of 93.2%. Submarket occupancy for next year is projected to be 91.6%, reflecting a small decrease from the current year.

Historical Net Absorption - Submarket

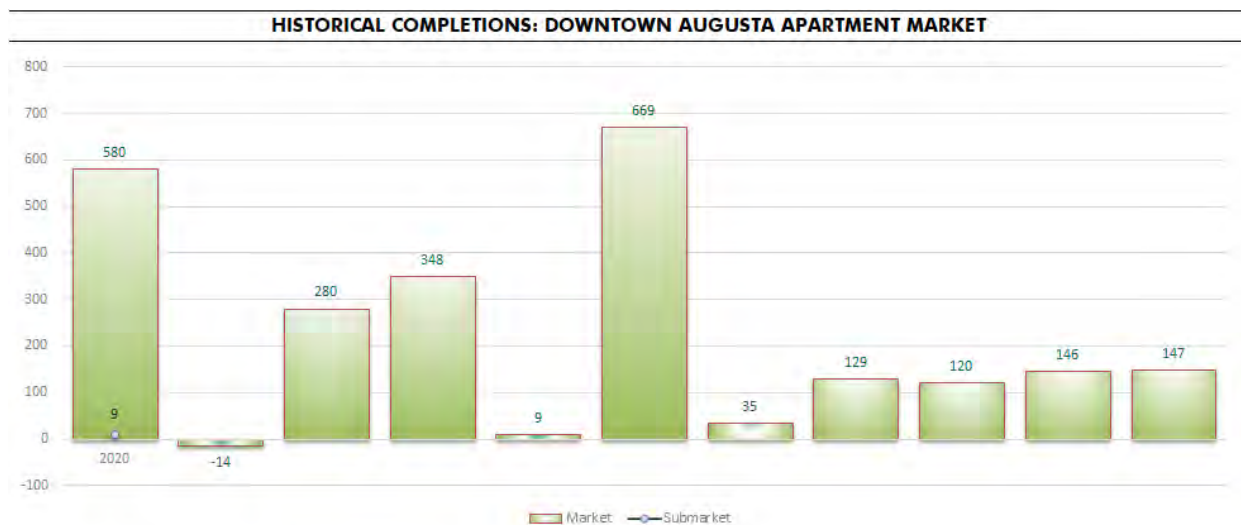


* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

Net absorption in the submarket is projected to be negative 22 units at the end of the current year, reflecting a decline from the previous year’s net absorption of positive 421 units. Net absorption for next year is projected to be negative 29 units, indicating a decline from the current year.

Historical Completions - Submarket



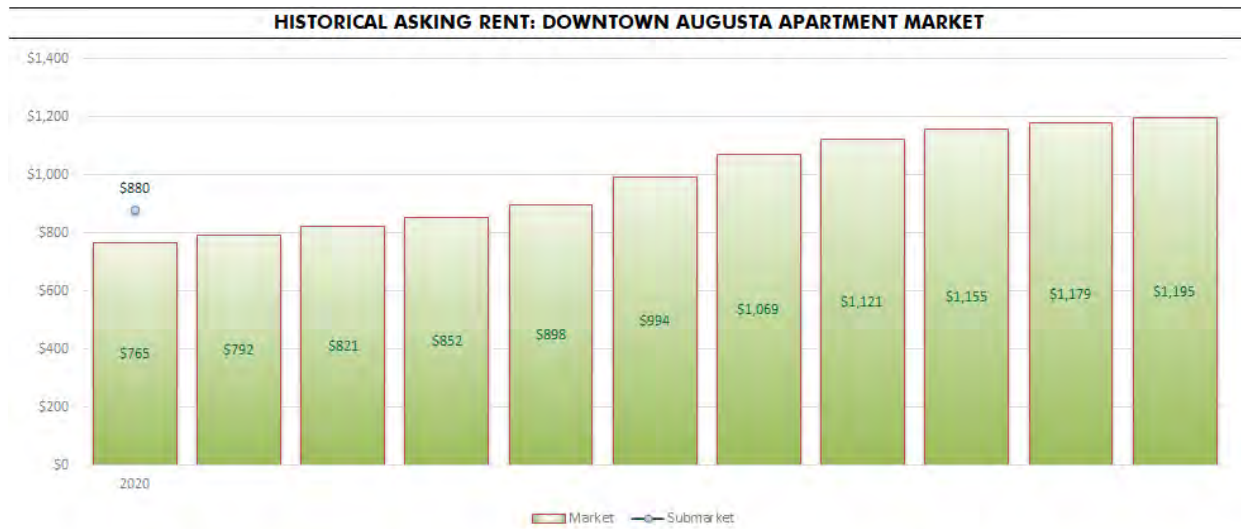
* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

The submarket is projected to achieve completions of positive 155 units at the end of the current year, which indicates an improvement from the previous year’s completions of positive 9 units.

The submarket is projecting completions of negative 3 units for next year, which indicates a decline from the current year.

Historical Asking Rent - Submarket



* Future Projected Data according to CoStar

Source: CoStar, 4th Quarter 2021

The submarket is projected to achieve average asking of \$974 per unit at the end of the current year, which represents an increase from the previous year’s asking rent of \$880 per unit. The submarket is projected to achieve average asking rent of \$1,046 per unit, reflecting an increase from the current year.

Impact of Foreclosed, abandoned, and vacant, single and multifamily homes, and commercial properties in the PMA

According to RealtyTrac.com, foreclosures account for 0.11% of properties in Augusta, GA. We did not observe a significant amount of abandoned or boarded up structures in the neighborhood that would impact the marketability of the subject.

Primary Housing Void

Several subsidizes properties indicated that they maintain waiting lists. The subject has a waiting list that is just under a year. The higher presence of waiting lists and high occupancy at comparable properties indicate a strong demand for affordable housing in this market. In addition, the strong demographics of renter households earning lower incomes suggests a strong demand for affordable housing.

Effect of Subject on Other Affordable Units in PMA

As previously mentioned, we do not expect the subject’s renovation to impact the long term success of other affordable units within the subject’s PMA given the high occupancy, waiting lists, and low income demographics, and increasing renter household tenure patterns.

Conclusion

In conclusion, the strong demographics of the subject's market (low income and high renter tenure patterns, the vacancy trends, rental trends, limited proposed new construction, and waiting lists all indicate the strong demand for affordable housing in this market. The subject represents an existing Section 8 contract property with 135 subsidized units with a waiting list. Several of the affordable properties maintain waiting lists.

The subject will offer similar amenities (or slightly superior) following the renovation, and will be considered similar or superior with respect to age/condition. The subject's location is considered similar to slightly inferior to the competitors. Overall, the property will be considered competitive in this market.

Overall, we believe there is strong demand for the subject's units and it will perform well in this market and not negatively impact any other affordable properties in this market.

Absorption & Stabilization

We have calculated the absorption to 93 percent occupancy, per DCA guidelines.

The subject is a proposed renovation of an existing Section 8 property. According to the provided rent roll, dated February 25, 2022, the property is 98.5% occupied with a waiting list, which is typical for the subject property and properties with this level of subsidy. Given the level of subsidy in place, and expected in the future, we have assumed the existing tenants would remain in place, or be relocated to new units and utilize a tenant relocation plan. Based on the current and historical occupancy, as well as the current waiting list, we have assumed the subject would achieve stabilization upon completion of construction.

We were only able to locate one multifamily development that was recently developed that was willing to provide us with absorption information. Millhouse Station is located at 636 11th Street in Augusta, Georgia just west of the subject. Millhouse Station is a market rate development that opened in the summer of 2021 and offers 155 studio, one and two-bedroom units. The property is currently 51% occupied and conversations with the property manager indicated that the property was leasing approximately 20 units per month since its opening.

If the property were to be 100% vacant with no tenant relocation plan upon completion of construction, we believe the property would achieve a stabilized occupancy within four-months including the current Section 8 subsidies and seven-months if there were no Section 8 subsidies.

Interviews

Augusta Public Housing Authority

We attempted to contact the Augusta Public Housing Authority regarding Section 8 housing choice vouchers; however, as of the date of this report, our calls have not been returned.

Planning

We contacted Lois Schmidt, a planner with the city of Augusta planning and development department regarding information on any planned or proposed multifamily developments in the subject's PMA. She provided us with information regarding multifamily developments and indicated that Augusta has been a desirable location for multifamily development with an uptick of multifamily development occurring from 2018 through 2022.

Augusta Metro Chamber of Commerce

We attempted to contact the Augusta Metro Chamber of Commerce for an interview, but our calls and emails were not returned.

Conclusions and Recommendations

Based upon our research, the overall market, demographics, and demand figures, we believe there is strong support for the subject as proposed. The affordable properties are currently 97% to 100% occupied with an average of 99.5%. The conventional comparables indicate an average of 95.9%. The subject's proposed renovation, will allow the subject to continue to compete within the market by offering in-unit and community amenities that are in-line with market standards. The renovation will greatly improve the overall quality of the subject and allow the subject to continue to provide affordable housing in an area that is in high demand. We believe the market **can** support subject and will help fill a void in the market. In addition, the subject will have no issue maintaining at least a 93% occupancy rate.

Signed Statement Requirements

I affirm that I have made a physical inspection of the market area and the subject property and that information has been used in the full study of the need and demand for the proposed units. The report was written according to DCA's market study requirements, the information included is accurate and the report can be relied upon by DCA as a true assessment of the low-income housing rental market.

To the best of my knowledge, the market can (cannot) support the project as shown in the study. I understand that any misrepresentation of this statement may result in the denial of further participation in DCA's rental housing programs. I also affirm that I have no interest in the project or relationship with the ownership entity and my compensation is not contingent on this project being funded.

DCA may rely on the representation made in the market study. The document is assignable to other lenders.



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Market Study Representation

DCA may rely on the representation made in the market study provided, and indicate that the document is assignable to other lenders that are parties to the DCA loan transaction.

Assumptions and Limiting Conditions

1. CBRE, Inc. through its appraiser (collectively, "CBRE") has inspected through reasonable observation the subject property. However, it is not possible or reasonably practicable to personally inspect conditions beneath the soil and the entire interior and exterior of the improvements on the subject property. Therefore, no representation is made as to such matters.
2. The report, including its conclusions and any portion of such report (the "Report"), is as of the date set forth in the letter of transmittal and based upon the information, market, economic, and property conditions and projected levels of operation existing as of such date. The dollar amount of any conclusion as to value in the Report is based upon the purchasing power of the U.S. Dollar on such date. The Report is subject to change as a result of fluctuations in any of the foregoing. CBRE has no obligation to revise the Report to reflect any such fluctuations or other events or conditions which occur subsequent to such date.
3. Unless otherwise expressly noted in the Report, CBRE has assumed that:
 - (i) Title to the subject property is clear and marketable and that there are no recorded or unrecorded matters or exceptions to title that would adversely affect marketability or value. CBRE has not examined title records (including without limitation liens, encumbrances, easements, deed restrictions, and other conditions that may affect the title or use of the subject property) and makes no representations regarding title or its limitations on the use of the subject property. Insurance against financial loss that may arise out of defects in title should be sought from a qualified title insurance company.
 - (ii) Existing improvements on the subject property conform to applicable local, state, and federal building codes and ordinances, are structurally sound and seismically safe, and have been built and repaired in a workmanlike manner according to standard practices; all building systems (mechanical/electrical, HVAC, elevator, plumbing, etc.) are in good working order with no major deferred maintenance or repair required; and the roof and exterior are in good condition and free from intrusion by the elements. CBRE has not retained independent structural, mechanical, electrical, or civil engineers in connection with this appraisal and, therefore, makes no representations relative to the condition of improvements. CBRE appraisers are not engineers and are not qualified to judge matters of an engineering nature, and furthermore structural problems or building system problems may not be visible. It is expressly assumed that any purchaser would, as a precondition to closing a sale, obtain a satisfactory engineering report relative to the structural integrity of the property and the integrity of building systems.
 - (iii) Any proposed improvements, on or off-site, as well as any alterations or repairs considered will be completed in a workmanlike manner according to standard practices.
 - (iv) Hazardous materials are not present on the subject property. CBRE is not qualified to detect such substances. The presence of substances such as asbestos, urea formaldehyde foam insulation, contaminated groundwater, mold, or other potentially hazardous materials may affect the value of the property.
 - (v) No mineral deposit or subsurface rights of value exist with respect to the subject property, whether gas, liquid, or solid, and no air or development rights of value may be transferred. CBRE has not considered any rights associated with extraction or exploration of any resources, unless otherwise expressly noted in the Report.
 - (vi) There are no contemplated public initiatives, governmental development controls, rent controls, or changes in the present zoning ordinances or regulations governing use, density, or shape that would significantly affect the value of the subject property.
 - (vii) All required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, nor national government or private entity or organization have been or can be readily obtained or renewed for any use on which the Report is based.
 - (viii) The subject property is managed and operated in a prudent and competent manner, neither inefficiently or super-efficiently.
 - (ix) The subject property and its use, management, and operation are in full compliance with all applicable federal, state, and local regulations, laws, and restrictions, including without limitation environmental laws, seismic hazards, flight patterns, decibel levels/noise envelopes, fire hazards, hillside ordinances, density, allowable uses, building codes, permits, and licenses.
 - (x) The subject property is in full compliance with the Americans with Disabilities Act (ADA). CBRE is not qualified to assess the subject property's compliance with the ADA, notwithstanding any discussion of possible readily achievable barrier removal construction items in the Report.

- (xi) All information regarding the areas and dimensions of the subject property furnished to CBRE are correct, and no encroachments exist. CBRE has neither undertaken any survey of the boundaries of the subject property nor reviewed or confirmed the accuracy of any legal description of the subject property.

Unless otherwise expressly noted in the Report, no issues regarding the foregoing were brought to CBRE's attention, and CBRE has no knowledge of any such facts affecting the subject property. If any information inconsistent with any of the foregoing assumptions is discovered, such information could have a substantial negative impact on the Report. Accordingly, if any such information is subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. CBRE assumes no responsibility for any conditions regarding the foregoing, or for any expertise or knowledge required to discover them. Any user of the Report is urged to retain an expert in the applicable field(s) for information regarding such conditions.

4. CBRE has assumed that all documents, data and information furnished by or behalf of the client, property owner, or owner's representative are accurate and correct, unless otherwise expressly noted in the Report. Such data and information include, without limitation, numerical street addresses, lot and block numbers, Assessor's Parcel Numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any error in any of the above could have a substantial impact on the Report. Accordingly, if any such errors are subsequently made known to CBRE, CBRE reserves the right to amend the Report, which may include the conclusions of the Report. The client and intended user should carefully review all assumptions, data, relevant calculations, and conclusions of the Report and should immediately notify CBRE of any questions or errors within 30 days after the date of delivery of the Report.
5. CBRE assumes no responsibility (including any obligation to procure the same) for any documents, data or information not provided to CBRE, including without limitation any termite inspection, survey or occupancy permit.
6. All furnishings, equipment and business operations have been disregarded with only real property being considered in the Report, except as otherwise expressly stated and typically considered part of real property.
7. Any cash flows included in the analysis are forecasts of estimated future operating characteristics based upon the information and assumptions contained within the Report. Any projections of income, expenses and economic conditions utilized in the Report, including such cash flows, should be considered as only estimates of the expectations of future income and expenses as of the date of the Report and not predictions of the future. Actual results are affected by a number of factors outside the control of CBRE, including without limitation fluctuating economic, market, and property conditions. Actual results may ultimately differ from these projections, and CBRE does not warrant any such projections.
8. The Report contains professional opinions and is expressly not intended to serve as any warranty, assurance or guarantee of any particular value of the subject property. Other appraisers may reach different conclusions as to the value of the subject property. Furthermore, market value is highly related to exposure time, promotion effort, terms, motivation, and conclusions surrounding the offering of the subject property. The Report is for the sole purpose of providing the intended user with CBRE's independent professional opinion of the value of the subject property as of the date of the Report. Accordingly, CBRE shall not be liable for any losses that arise from any investment or lending decisions based upon the Report that the client, intended user, or any buyer, seller, investor, or lending institution may undertake related to the subject property, and CBRE has not been compensated to assume any of these risks. Nothing contained in the Report shall be construed as any direct or indirect recommendation of CBRE to buy, sell, hold, or finance the subject property.
9. No opinion is expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate appraisers. Any user of the Report is advised to retain experts in areas that fall outside the scope of the real estate appraisal profession for such matters.
10. CBRE assumes no responsibility for any costs or consequences arising due to the need, or the lack of need, for flood hazard insurance. An agent for the Federal Flood Insurance Program should be contacted to determine the actual need for Flood Hazard Insurance.
11. Acceptance or use of the Report constitutes full acceptance of these Assumptions and Limiting Conditions and any special assumptions set forth in the Report. It is the responsibility of the user of the Report to read in full, comprehend and thus become aware of all such assumptions and limiting conditions. CBRE assumes no responsibility for any situation arising out of the user's failure to become familiar with and understand the same.
12. The Report applies to the property as a whole only, and any pro ration or division of the title into fractional interests will invalidate such conclusions, unless the Report expressly assumes such pro ration or division of interests.

13. The allocations of the total value estimate in the Report between land and improvements apply only to the existing use of the subject property. The allocations of values for each of the land and improvements are not intended to be used with any other property or appraisal and are not valid for any such use.
14. The maps, plats, sketches, graphs, photographs, and exhibits included in this Report are for illustration purposes only and shall be utilized only to assist in visualizing matters discussed in the Report. No such items shall be removed, reproduced, or used apart from the Report.
15. The Report shall not be duplicated or provided to any unintended users in whole or in part without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Exempt from this restriction is duplication for the internal use of the intended user and its attorneys, accountants, or advisors for the sole benefit of the intended user. Also exempt from this restriction is transmission of the Report pursuant to any requirement of any court, governmental authority, or regulatory agency having jurisdiction over the intended user, provided that the Report and its contents shall not be published, in whole or in part, in any public document without the written consent of CBRE, which consent CBRE may withhold in its sole discretion. Finally, the Report shall not be made available to the public or otherwise used in any offering of the property or any security, as defined by applicable law. Any unintended user who may possess the Report is advised that it shall not rely upon the Report or its conclusions and that it should rely on its own appraisers, advisors and other consultants for any decision in connection with the subject property. CBRE shall have no liability or responsibility to any such unintended user.

ADDENDA

Addendum A

RENT COMPARABLE DATA SHEETS

Property Name Cobb House Apartments
 Address 1001 Green Street
 Augusta, GA 30901
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0364326000

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	12	57%	650	\$945	\$1.45
1BR/1BA	6	29%	800	\$955	\$1.19
2BR/2BA	3	14%	1,230	\$1,300	\$1.06
Totals/Avg	21			\$999	\$1.29



Improvements

Land Area	0.750 ac	Status	Existing
Net Rentable Area (NRA)	16,290 sf	Year Built	1917
Total # of Units	21 Unit	Year Renovated	N/A
Average Unit Size	776 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick Veneer
Property Features	Flat Roofs, Gated / Controlled Access, Individual Split Systems		
Project Amenities	Courtyard, Laundry Facility		
Unit Amenities	9-Foot Ceilings, Dishwasher, Granite Countertops, Plank Flooring, Range / Oven, Refrigerator, Stainless Steel Appliances		

Rental Survey

Occupancy	94%	Utilities Included in Rent	Trash & Pest Control
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed	Concessions	None
Survey Date	04/2022	Owner	N/A
Survey Notes	Property Contact: Katie (706) 737-4548	Management	Intermark Properties (Tammy)

Map & Comments



Rental is located in historic downtown Augusta along Green Street. Originally constructed in 1917, the property was completely renovated in the late 1980s and again in 2016. The building is three stories with controlled access. Unit amenities include a refrigerator, stove, dishwasher, disposal and carpeting. The property includes two laundry rooms, but no washer/dryer connections. There are no utilities included in the monthly rental rates. Currently, the property is 94% occupied. Units are sub-metered for water and sewer with the tenant responsible for usage. Trash and pest control are included in the monthly rental rates. Due to occupancy, no concessions are currently being offered.

Neighborhood: Downtown Augusta
Cross Streets: Ellis Street and 10th Street

Property Name Broadway Apartments
 Address 335 Broad Street
 Augusta, GA 30901
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0472076000

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	8	20%	612	\$915	\$1.50
2BR/2BA	10	25%	1,060	\$1,060	\$1.00
2BR/2BA	11	28%	1,125	\$1,162	\$1.03
2BR/2BA	11	28%	1,225	\$1,177	\$0.96
Totals/Avg	40			\$1,091	\$1.06



Improvements

Land Area	1.630 ac	Status	Existing
Net Rentable Area (NRA)	41,346 sf	Year Built	1917
Total # of Units	40 Unit	Year Renovated	N/A
Average Unit Size	1,034 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick Veneer
Property Features	Flat Roofs, Gated / Controlled Access, Individual Split Systems, On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Courtyard		
Unit Amenities	Carpeted Flooring, Ceiling Fans, Dishwasher, Granite Countertops, Plank Flooring, Range / Oven, Refrigerator, Stainless Steel Appliances, Tub / Shower Combo		

Rental Survey

Occupancy	93%	Utilities Included in Rent	Trash & Pest Control
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Mixed	Concessions	None
Survey Date	04/2022	Owner	N/A
Survey Notes	Property Contact: (706)737-4548	Management	Intermark Properties (Tammy)

Map & Comments



This property is located along a major thoroughfare in the "Old Town" section of Augusta. While the property was originally constructed in 1917, it was renovated extensively in the late 1980s and again in 2018. Currently, the property is 88% occupied. Management indicated the COVID-19 Pandemic along with a few management changes have impacted occupancy at the property. The property is in good condition. Units feature stainless steel appliances, granite countertops, hardwood, and carpeted floors. Units are sub-metered for water and sewer with the tenant responsible for usage. Trash and pest control are included in the monthly rental rates.

Neighborhood: Olde Town

Cross Street: Reynolds Street and 4th Street

Property Name Enterprise Mill
 Address 1450 Greene Street
 Augusta, GA 30901
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0363101040

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio	6	10%	503	\$692	\$1.38
1BR,1BA Flat	20	33%	667	\$920	\$1.38
1BR,1BA Loft	9	15%	720	\$950	\$1.32
2BR,1BA Flat	14	23%	924	\$1,179	\$1.28
2BR,1BA Loft	9	15%	1,014	\$1,189	\$1.17
3BR,2BA Flat	2	3%	1,398	\$1,350	\$0.97
Totals/Avg	60			\$1,017	\$1.28



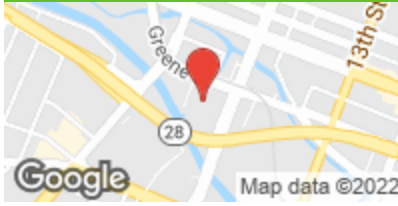
Improvements

Land Area	9.960 ac	Status	Existing
Net Rentable Area (NRA)	60,194 sf	Year Built	1855
Total # of Units	60 Unit	Year Renovated	1999
Average Unit Size	1,003 sf	Condition	Good
Floor Count	N/A	Exterior Finish	Brick
Property Features	Gated / Controlled Access, Individual Split Systems, On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Business Center, Clubhouse, Fitness Center, Laundry Facility, On-Site Security		
Unit Amenities	Dishwasher, Microwave Oven, Washer / Dryer Connections		

Rental Survey

Occupancy	93%	Utilities Included in Rent	None
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	mixed	Concessions	None
Survey Date	04/2022	Owner	N/A
Survey Notes	Contact: Daniel 706-306-6754	Management	Harrison Properties

Map & Comments



The residential component includes 60 residential units with approximately 60,194 square feet of rentable area. The apartment component comprises a predominant mix of studio, one and two bedroom units, plus two three-bedroom layouts, with modern design and average quality finishes/fixtures and average amenity packages, including w/d connections, dishwasher, 24 hour security/controlled access, fitness center and conference center. Currently, the property is 93% occupied. Units are sub-metered for water and sewer with the tenant responsible for usage. No concessions are currently being offered.

Neighborhood: Harrisburg
Cross Streets: St. Sebastian Way and Greene Street

Property Name Terraces at Summerville
 Address 817 Hickman Road
 Augusta, GA 30904
 United States

Government Tax Agency Richmond
 Govt./Tax ID Multiple

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA	76	63%	705	\$909-\$918	\$1.30
2BR/1BA	44	37%	1,020	\$1,069-\$1,079	\$1.05
Totals/Avg	120			\$972	\$1.19



Improvements

Land Area	2.140 ac	Status	Existing
Net Rentable Area (NRA)	98,460 sf	Year Built	1972
Total # of Units	120 Unit	Year Renovated	N/A
Average Unit Size	821 sf	Condition	Average
Floor Count	2	Exterior Finish	Brick
Property Features	Flat Roofs, Individual Split Systems, On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Fitness Center, Laundry Facility, Pool, Tennis Court		
Unit Amenities	8-Foot Ceilings, Carpeted Flooring, Ceiling Fans, Dishwasher, Granite Countertops, Microwave Oven, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator, Stainless Steel Appliances, Washer / Dryer, Washer / Dryer Connections		

Rental Survey

Occupancy	96%	Utilities Included in Rent	Trash and Pest control
Lease Term	6 - 12 Mo(s).	Rent Premiums	Units with a Balcony
Tenant Profile	Middle Income	Concessions	None
Survey Date	04/2022	Owner	N/A
Survey Notes	Property Contact: 706-309-4004	Management	SMP Property Management

Map & Comments



This comparable represents a 120-unit garden-style apartment property, located along a secondary street in an affluent neighborhood area near Walton Way. The property, identified as Terraces at Summerville, was developed in 1972 and is currently 96% occupied. This property was formally Oak Hill apartments. The property offers one- and two-bedroom floor plans, with an average unit size of 821 square feet. Quoted rent range includes a premium for units with a balcony. Management employs a RUBS for reimbursement of water and sewer. Trash removal and pest control are included in the monthly rental rates. The property was recently renovated with gourmet kitchens that are home to stainless steel, efficient kitchen appliances, washer and dryer units, plank flooring, granite countertops, built-in microwaves, and brushed nickel fixtures. No concessions are currently being offered.

Cross Streets: Milledge Road & Walton Way
Neighborhood: Harrisburg

Property Name Canalside
 Address 1399 Walton Way
 Augusta, GA 30901
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0461010020

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
Studio/1BA	4	4%	517	\$1,170	\$2.26
1BR/1BA	4	4%	567	\$1,156	\$2.04
1BR/1BA	40	38%	589	\$1,155	\$1.96
1BR/1BA	32	30%	610	\$1,182	\$1.94
1BR/1BA	4	4%	674	\$1,200	\$1.78
1BR/1BA	6	6%	780	\$1,441	\$1.85
2BR/2BA	12	11%	967	\$1,603	\$1.66
2BR/2BA	4	4%	1,148	\$1,544	\$1.34
Totals/Avg	106			\$1,247	\$1.86



Improvements

Land Area	2.530 ac	Status	Existing
Net Rentable Area (NRA)	71,568 sf	Year Built	2015
Total # of Units	106 Unit	Year Renovated	N/A
Average Unit Size	675 sf	Condition	Good
Floor Count	4	Exterior Finish	Brick Veneer
Property Features	Flat Roofs, Gated / Controlled Access, On-Site Management, Surface Parking		
Project Amenities	Barbeque Area, Fitness Center, Outdoor Fireplace		
Unit Amenities	Carpeted Flooring, Ceiling Fans, Dishwasher, Garbage Disposal, Granite Countertops, Microwave Oven, Range / Oven, Refrigerator with Icemaker, Stainless Steel Appliances, Vinyl Flooring, Washer / Dryer		

Rental Survey

Occupancy	94%	Utilities Included in Rent	Trash & Pest Control
Lease Term	6 - 12 Mo(s).	Rent Premiums	See Comments
Tenant Profile	Middle Income Groups	Concessions	None
Survey Date	04/2022	Owner	Lat Purser & Associates, Inc.
Survey Notes	Contact: 833-365-0636	Management	My Niche

Map & Comments



This comparable represents a 106-unit apartment property, with surface parking, located across from University Hospital on a narrow 2.5-acre plat at the corner of Walton and St. Sebastian Ways in Augusta, Georgia. The property, identified as Canalside, was developed in 2015. The property achieved stabilization in early summer 2016 and is now operating at a stabilized occupancy of 94%. Management indicated the first move-in occurred in June 2015. The property charges the following premiums for floor level and views: \$10 (1st floor), no charge for 2nd floor, \$20 (3rd floor), \$30 (4th floor), and \$20 (canal view). Additional storage units lease for \$50 per month. The comparable offers one- and two-bedroom floor plans, with an average unit size of 669 square feet. The subject units are individually metered for water/sewer and electric, with a third party (APEX) responsible for billing tenants for their respective usage (sub-metered water/sewer). Trash and pest control are included in the quoted rents. Management is not currently offering any concessions.

Cross Streets: Walton Way & St. Sebastian Way
Neighborhood: Downtown Augusta

Property Name Legacy at Walton Green Senior LIHTC - Ph I & III
 Address 1550 Fifteenth Street
 Augusta, GA 30901
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0582089000

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA - 60% AMI	74	44%	766	\$667	\$0.87
1BR/1BA - MKT	30	18%	766	\$870	\$1.14
2BR/2BA - 60% AMI	30	18%	986-1,170	\$808	\$0.75
2BR/2BA - Market	36	21%	986-1,170	\$975	\$0.90
Totals/Avg	170			\$793	\$0.89



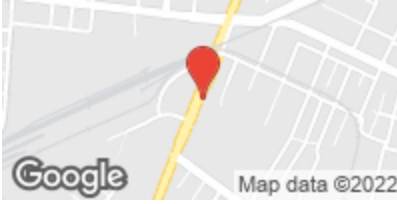
Improvements

Land Area	1.470 ac	Status	Existing
Net Rentable Area (NRA)	150,812 sf	Year Built	2018
Total # of Units	170 Unit	Year Renovated	N/A
Average Unit Size	887 sf	Condition	Good
Floor Count	4	Exterior Finish	Brick Veneer
Property Features	Age Restricted, Gated / Controlled Access, LIHTC (Low Income Housing Tax Credit), Pitched Roofs		
Project Amenities	Clubhouse, Courtyard, Fitness Center, Laundry Facility		
Unit Amenities	9-Foot Ceilings, Black Appliances, Carpeted Flooring, Dishwasher, Double-Pane Windows, Garbage Disposal, Granite Countertops, Microwave Oven, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator, Washer / Dryer Connections		

Rental Survey

Occupancy	99%	Utilities Included in Rent	Trash removal and pest control
Lease Term	12 Mo(s).	Rent Premiums	See Comments
Tenant Profile	Mixed	Concessions	None
Survey Date	04/2022	Owner	Walton Communities
Survey Notes	Property Contact: 706-842-7909	Management	Walton Communities

Map & Comments



This comparable represents Phase I an 80-unit senior (55+) and Phase III a 90-unit family apartment community located in Augusta, Georgia. Phase I was developed in 2018 and leased to a stabilized occupancy position by October 31, 2018. Phase III was completed in 2020. The property is partially rent and income restricted to residents earning 60% of the area median income or less (LIHTC, public housing, and market rate). Phase II is proposed and has not been constructed yet. Phase III consists of a mixture of market rate and income restricted units and all one-bedroom, one-bath. Quoted rent range on select floor plans includes a premium for units with no patio. The survey is indicative of tax credit units and market rate units only. The public housing rental rates were not provided as they are not relevant indicators of either market or tax credit rental rates. Monthly rental rates are inclusive of trash removal and pest control. Residents are responsible for payment of all other utilities separately which are metered. Pest control is included in the monthly rental rate. No concessions are currently being offered.

Cross Streets: 15th Street & Wrightsboro Road
Neighborhood: Turpin Hill

Property Name Gardens at Harvest Point
 Address 1901 Harvest Point Way
 Augusta, GA 30909
 United States

Government Tax Agency Richmond
 Govt./Tax ID 0550002000

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA @ 60% AMI	64	25%	788	\$674	\$0.86
2BR/2BA @ 60% AMI	128	50%	1,140	\$806	\$0.71
3BR/2BA @ 60% AMI	64	25%	1,385	\$922	\$0.67
Totals/Avg	256			\$802	\$0.72



Improvements

Land Area	30.153 ac	Status	Existing
Net Rentable Area (NRA)	284,992 sf	Year Built	2018
Total # of Units	256 Unit	Year Renovated	N/A
Average Unit Size	1,113 sf	Condition	Average
Floor Count	3	Exterior Finish	Brick Veneer
Property Features	Gated / Controlled Access, LIHTC (Low Income Housing Tax Credit)		
Project Amenities	Clubhouse, Dog Park / Run, Fitness Center, Laundry Facility, Pool, Theater		
Unit Amenities	Carpeted Flooring, Dishwasher, Garbage Disposal, Laminate Countertops, Private Patios / Balconies, Range / Oven, Refrigerator, Vinyl Flooring, Washer / Dryer Connections		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Water, Sewer, Trash
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	LIHTC	Concessions	None
Survey Date	04/2022	Owner	Miller-Valentine Group
Survey Notes	Property Contact: 706-869-5525	Management	Miller-Valentine Group

Map & Comments

The property is subject to LIHTC pricing restrictions and rents to residents earning 60% of the area median income. Community amenities include a fitness center, clubhouse, business center, laundry facility, and leasing office. Units feature washer/dryer connections and fully-equipped kitchens with black appliances. Water, sewer and trash are included in the quoted rental rates.

Cross Streets: North Leg Road & Gordon Highway
Neighborhood: Forest Estates

Property Name The Terrace at Edinburgh - Senior LIHTC
 Address 2515 Kennedy Drive
 Augusta, GA 30909
 United States

Government Tax Agency Richmond
 Govt./Tax ID N/A

Unit Mix Detail

Rate Timeframe	Monthly				
Unit Type	No.	%	Size (sf)	Rent	Rent / sf
1BR/1BA - 50% AMI	7	10%	1,000	\$456	\$0.46
1BR/1BA - 60% AMI	11	15%	1,000	\$563	\$0.56
2BR/1BA - 50% AMI	32	44%	1,150	\$531	\$0.46
2BR/1BA - 60% AMI	22	31%	1,150	\$640	\$0.56
Totals/Avg	72			\$562	\$0.51



Improvements

Land Area	2.340 ac	Status	Existing
Net Rentable Area (NRA)	80,100 sf	Year Built	2010
Total # of Units	72 Unit	Year Renovated	N/A
Average Unit Size	1,113 sf	Condition	Average
Floor Count	1	Exterior Finish	Vinyl Siding
Property Features	Age Restricted, Individual Split Systems, LIHTC (Low Income Housing Tax Credit), Pitched Roofs		
Project Amenities	Barbeque Area, Business Center, Clubhouse, Fitness Center, Laundry Facility		
Unit Amenities	Black Appliances, Dishwasher, Plank Flooring, Private Patios / Balconies, Range / Oven, Refrigerator, Washer / Dryer Connections		

Rental Survey

Occupancy	100%	Utilities Included in Rent	Trash Removal
Lease Term	12 Mo(s).	Rent Premiums	None
Tenant Profile	Senior, Low-Income	Concessions	None
Survey Date	04/2022	Owner	The Vantage Group
Survey Notes	Property Contact: Robin 706-504-9114	Management	The Vantage Group

Map & Comments

This comparable represents a 72 unit apartment property located on Kennedy Drive in Augusta, GA. The property, identified as The Terrace at Edinburgh, was developed in 2010 and is currently 100% occupied with a waitlist. The property is subject to LIHTC pricing restrictions and rents to residents earning 50% and 60% of the area median income. Community amenities include a fitness center, clubhouse, business center, laundry facility, and leasing office. Units feature washer/dryer connections and fully-equipped kitchens with black appliances. Trash removal is included with rent. Water/sewer is individually metered with the tenant responsible for usage. Management is not currently offering concessions.

Cross Streets: Milledgeville Road & Sibley Road
Neighborhood: Central Augusta

Addendum B

CLIENT CONTRACT INFORMATION

Proposal and Contract for Services

March 30, 2020

Nick Boehm
Director
REDWOOD HOUSING
3101 Bee Caves Road, Suite 220
Austin, TX 78746
Phone: 512.717.3934
Email: nick@redwoodhousing.com

RE: Assignment Agreement
Multifamily
Richmond Summit, 744 Broad Street
Augusta, GA

Dear Mr. Boehm:

We are pleased to submit this proposal and our Terms and Conditions for this assignment.

PROPOSAL SPECIFICATIONS

Purpose:	To estimate the Market Rent of the referenced real estate
Premise:	As Is and As Complete
Rights Appraised:	Fee Simple
Intended Use:	Internal Decision Making purposes and possible submission to DCA
Intended User:	The intended user is REDWOOD HOUSING ("Client"), and such other parties and entities (if any) expressly recognized by CBRE as "Intended Users" (as further defined herein).
Reliance:	Reliance on any reports produced by CBRE under this Agreement is extended solely to parties and entities expressly acknowledged in a signed writing by CBRE as Intended Users of the respective reports, provided that any conditions to such acknowledgement required by CBRE or hereunder have been satisfied. Parties or entities other than Intended Users who obtain a copy of the report or any portion thereof (including Client if it is not named as an Intended User), whether as a result of its direct dissemination or by any other means, may not rely upon any opinions or conclusions contained in the report or such portions thereof, and CBRE will not be responsible for any unpermitted use of the report, its conclusions or contents or have any liability in connection therewith.

CBRE, Inc.
4520 Main Street, Suite 600
Kansas City, Missouri 64111
www.cbre.us/valuation

Matthew Hummel, MAI, AI-GRS
Director

Inspection:	CBRE will not conduct a physical inspection of the interior and exterior of the subject property, or its surrounding environs on the effective date of appraisal.
Valuation Approaches:	All applicable approaches to value will be considered.
Report Type:	DCA Market Study
Appraisal Standards:	USPAP
Appraisal Fee:	\$5,000
Expenses:	Fee includes all associated expenses
Retainer:	A retainer is not required for this assignment
Payment Terms:	Final payment is due upon delivery of the final report or within thirty (30) days of your receipt of the draft report, whichever is sooner. The fee is considered earned upon delivery of the draft report.
Delivery Instructions:	<p>We will invoice you for the assignment in its entirety at the completion of the assignment.</p> <p>CBRE encourages our clients to join in our environmental sustainability efforts by accepting an electronic copy of the report.</p> <p>An Adobe PDF file via email will be delivered to nick@redwoodhousing.com. The client has requested No (0) bound final copy (ies).</p>
Delivery Schedule:	
Preliminary Value:	Not Required
Draft Report:	Not Required
Final Report:	On or before 5 weeks
Start Date:	The appraisal process will start upon receipt of your signed agreement, the retainer, and the property specific data.
Acceptance Date:	These specifications are subject to modification if this proposal is not accepted within three business days from the date of this letter.

When executed and delivered by all parties, this letter, together with the Terms and Conditions and the Specific Property Data Request attached hereto and incorporated herein, will serve as the Agreement for appraisal services by and between CBRE and Client. Each person signing below represents that it is authorized to enter into this Agreement and to bind the respective parties hereto.

We appreciate this opportunity to be of service to you on this assignment. If you have additional questions, please contact us.

Sincerely,

CBRE, Inc.
Valuation & Advisory Services



Matthew Hummel, MAI, AI-GRS
Director
As Agent for CBRE, Inc.
T 816.968.5891
Kansas Certification NO. G-2959
Missouri Certification NO. 2014030618
California Certification NO. 3002505
Texas Certification NO. TX 1380416 G
Washington Certification NO. 1102285
Georgia Certification NO. 394283
Oklahoma Certification NO. 13350CGA
Virginia Certification NO. 4001017803
Iowa Certification NO. CG03581
matt.hummel@cbre.com

AGREED AND ACCEPTED

FOR REDWOOD HOUSING ("CLIENT"):



Signature

03/30/2022

Date

Breana Brown

Name

Project Manager

Title

206-688-2088

Phone Number

breana.brown@redwoodhousing.com

E-Mail Address

TERMS AND CONDITIONS

1. The Terms and Conditions herein are part of an agreement for appraisal services (the "Agreement") between CBRE, Inc. (the "Appraiser") and the client signing this Agreement, and for whom the appraisal services will be performed (the "Client"), and shall be deemed a part of such Agreement as though set forth in full therein. The Agreement shall be governed by the laws of the state where the appraisal office is located for the Appraiser executing this Agreement.
2. Client shall be responsible for the payment of all fees stipulated in the Agreement. Payment of the appraisal fee and preparation of an appraisal report (the "Appraisal Report, or the "report") are not contingent upon any predetermined value or on an action or event resulting from the analyses, opinions, conclusions, or use of the Appraisal Report. Final payment is due as provided in the Proposal Specifications Section of this Agreement. If a draft report is requested, the fee is considered earned upon delivery of the draft report. It is understood that the Client may cancel this assignment in writing at any time prior to delivery of the completed report. In such event, the Client is obligated only for the prorated share of the fee based upon the work completed and expenses incurred (including travel expenses to and from the job site), with a minimum charge of \$500. Additional copies of the Appraisal Reports are available at a cost of \$250 per original color copy and \$100 per photocopy (black and white), plus shipping fees of \$30 per report.
3. If Appraiser is subpoenaed or ordered to give testimony, produce documents or information, or otherwise required or requested by Client or a third party to participate in meetings, phone calls, conferences, litigation or other legal proceedings (including preparation for such proceedings) because of, connected with or in any way pertaining to this engagement, the Appraisal Report, the Appraiser's expertise, or the Property, Client shall pay Appraiser's additional costs and expenses, including but not limited to Appraiser's attorneys' fees, and additional time incurred by Appraiser based on Appraiser's then-prevailing hourly rates and related fees. Such charges include and pertain to, but are not limited to, time spent in preparing for and providing court room testimony, depositions, travel time, mileage and related travel expenses, waiting time, document review and production, and preparation time (excluding preparation of the Appraisal Report), meeting participation, and Appraiser's other related commitment of time and expertise. Hourly charges and other fees for such participation will be provided upon request. In the event Client requests additional appraisal services beyond the scope and purpose stated in the Agreement, Client agrees to pay additional fees for such services and to reimburse related expenses, whether or not the completed report has been delivered to Client at the time of such request.
4. Appraiser shall have the right to terminate this Agreement at any time for cause effective immediately upon written notice to Client on the occurrence of fraud or the willful misconduct of Client, its employees or agents, or without cause upon 5 days written notice.
5. In the event Client fails to make payments when due then, from the date due until paid, the amount due and payable shall bear interest at the maximum rate permitted in the state where the office is located for the Appraiser executing the Agreement. In the event either party institutes legal action against the other to enforce its rights under this Agreement, the prevailing party shall be entitled to recover its reasonable attorney's fees and expenses. Each party waives the right to a trial by jury in any action arising under this Agreement.
6. Appraiser assumes there are no major or significant items or issues affecting the Property that would require the expertise of a professional building contractor, engineer, or environmental consultant for Appraiser to prepare a valid report. Client acknowledges that such additional expertise is not covered in the Appraisal fee and agrees that, if such additional expertise is required, it shall be provided by others at the discretion and direction of the Client, and solely at Client's additional cost and expense.
7. In the event of any dispute between Client and Appraiser relating to this Agreement, or Appraiser's or Client's performance hereunder, Appraiser and Client agree that such dispute shall be resolved by means of binding arbitration in accordance with the commercial arbitration rules of the American Arbitration Association, and judgment upon the award rendered by an arbitrator may be entered in any court of competent jurisdiction. Depositions may be taken and other discovery obtained during such arbitration proceedings to the same extent as authorized in civil judicial proceedings in the state where the office of the Appraiser executing this Agreement is located. The arbitrator shall be limited to awarding compensatory damages and shall have no authority to award punitive, exemplary or similar damages. The prevailing party in the arbitration proceeding shall be entitled to recover its expenses from the losing party, including costs of the arbitration proceeding, and reasonable attorney's fees. Client acknowledges that Appraiser is being retained hereunder as an independent contractor to perform the services described herein and nothing in this Agreement shall be deemed to create any other relationship

between Client and Appraiser. This engagement shall be deemed concluded and the services hereunder completed upon delivery to Client of the Appraisal Report discussed herein.

8. All statements of fact in the report which are used as the basis of the Appraiser's analyses, opinions, and conclusions will be true and correct to Appraiser's actual knowledge and belief. Appraiser does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the condition of the Property furnished to Appraiser by Client or others. TO THE FULLEST EXTENT PERMITTED BY LAW, APPRAISER DISCLAIMS ANY GUARANTEE OR WARRANTY AS TO THE OPINIONS AND CONCLUSIONS PRESENTED ORALLY OR IN ANY APPRAISAL REPORT, INCLUDING WITHOUT LIMITATION ANY WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE EVEN IF KNOWN TO APPRAISER. Furthermore, the conclusions and any permitted reliance on and use of the Appraisal Report shall be subject to the assumptions, limitations, and qualifying statements contained in the report.
9. Appraiser shall have no responsibility for legal matters, including zoning, or questions of survey or title, soil or subsoil conditions, engineering, or other similar technical matters. The report will not constitute a survey of the Property analyzed.
10. Client shall provide Appraiser with such materials with respect to the assignment as are requested by Appraiser and in the possession or under the control of Client. Client shall provide Appraiser with sufficient access to the Property to be analyzed, and hereby grants permission for entry unless discussed in advance to the contrary.
11. The data gathered in the course of the assignment (except data furnished by Client) and the report prepared pursuant to the Agreement are, and will remain, the property of Appraiser. With respect to data provided by Client, Appraiser shall not violate the confidential nature of the Appraiser-Client relationship by improperly disclosing any proprietary information furnished to Appraiser. Notwithstanding the foregoing, Appraiser is authorized by Client to disclose all or any portion of the report and related data as may be required by statute, government regulation, legal process, or judicial decree, including to appropriate representatives of the Appraisal Institute if such disclosure is required to enable Appraiser to comply with the Bylaws and Regulations of such Institute as now or hereafter in effect.
12. Unless specifically noted, in preparing the Appraisal Report the Appraiser will not be considering the possible existence of asbestos, PCB transformers, or other toxic, hazardous, or contaminated substances and/or underground storage tanks (collectively, "Hazardous Material") on or affecting the Property, or the cost of encapsulation or removal thereof. Further, Client represents that there is no major or significant deferred maintenance of the Property that would require the expertise of a professional cost estimator or contractor. If such repairs are needed, the estimates are to be prepared by others, at Client's discretion and direction, and are not covered as part of the Appraisal fee.
13. In the event Client intends to use the Appraisal Report in connection with a tax matter, Client acknowledges that Appraiser provides no warranty, representation or prediction as to the outcome of such tax matter. Client understands and acknowledges that any relevant taxing authority (whether the Internal Revenue Service or any other federal, state or local taxing authority) may disagree with or reject the Appraisal Report or otherwise disagree with Client's tax position, and further understands and acknowledges that the taxing authority may seek to collect additional taxes, interest, penalties or fees from Client beyond what may be suggested by the Appraisal Report. Client agrees that Appraiser shall have no responsibility or liability to Client or any other party for any such taxes, interest, penalties or fees and that Client will not seek damages or other compensation from Appraiser relating to any such taxes, interest, penalties or fees imposed on Client, or for any attorneys' fees, costs or other expenses relating to Client's tax matters.
14. Appraiser shall have no liability with respect to any loss, damage, claim or expense incurred by or asserted against Client arising out of, based upon or resulting from Client's failure to provide accurate or complete information or documentation pertaining to an assignment ordered under or in connection with this Agreement, including Client's failure, or the failure of any of Client's agents, to provide a complete copy of the Appraisal Report to any third party.
15. LIMITATION OF LIABILITY. EXCEPT TO THE EXTENT ARISING FROM SECTION 16 BELOW, OR SECTION 17 IF APPLICABLE, IN NO EVENT SHALL EITHER PARTY OR ANY OF ITS AFFILIATE, OFFICERS, DIRECTORS, EMPLOYEES, AGENTS, OR CONTRACTORS BE LIABLE TO THE OTHER, WHETHER BASED IN CONTRACT, WARRANTY, INDEMNITY, NEGLIGENCE, STRICT LIABILITY OR OTHER TORT OR OTHERWISE, FOR ANY SPECIAL, CONSEQUENTIAL, PUNITIVE, INCIDENTAL OR INDIRECT DAMAGES, AND AGGREGATE DAMAGES IN CONNECTION WITH THIS AGREEMENT FOR EITHER PARTY (EXCLUDING THE OBLIGATION TO PAY THE FEES REQUIRED HEREUNDER) SHALL NOT EXCEED THE GREATER OF THE TOTAL FEES PAYABLE TO APPRAISER UNDER THIS AGREEMENT OR TEN THOUSAND DOLLARS (\$10,000). THIS LIABILITY LIMITATION SHALL NOT

APPLY IN THE EVENT OF A FINAL FINDING BY AN ARBITRATOR OR A COURT OF COMPETENT JURISDICTION THAT SUCH LIABILITY IS THE RESULT OF A PARTY'S FRAUD OR WILLFUL MISCONDUCT.

16. Client shall not disseminate, distribute, make available or otherwise provide any Appraisal Report prepared hereunder to any third party (including without limitation, incorporating or referencing the Appraisal Report, in whole or in part, in any offering or other material intended for review by other parties) except to (i) any third party expressly acknowledged in a signed writing by Appraiser as an "Intended User" of the Appraisal Report provided that either Appraiser has received an acceptable release from such third party with respect to such Appraisal Report or Client provides acceptable indemnity protections to Appraiser against any claims resulting from the distribution of the Appraisal Report to such third party, (ii) any third party service provider (including rating agencies and auditors) using the Appraisal Report in the course of providing services for the sole benefit of an Intended User, or (iii) as required by statute, government regulation, legal process, or judicial decree. In the event Appraiser consents, in writing, to Client incorporating or referencing the Appraisal Report in any offering or other materials intended for review by other parties, Client shall not distribute, file, or otherwise make such materials available to any such parties unless and until Client has provided Appraiser with complete copies of such materials and Appraiser has approved all such materials in writing. Client shall not modify any such materials once approved by Appraiser. In the absence of satisfying the conditions of this paragraph with respect to a party who is not designated as an Intended User, in no event shall the receipt of an Appraisal Report by such party extend any right to the party to use and rely on such report, and Appraiser shall have no liability for such unauthorized use and reliance on any Appraisal Report. In the event Client breaches the provisions of this paragraph, Client shall indemnify, defend and hold Appraiser, and its affiliates and their officers, directors, employees, contractors, agents and other representatives (Appraiser and each of the foregoing an "Indemnified Party" and collectively the "Indemnified Parties"), fully harmless from and against all losses, liabilities, damages and expenses (collectively, "Damages") claimed against, sustained or incurred by any Indemnified Party arising out of or in connection with such breach, regardless of any negligence on the part of any Indemnified Party in preparing the Appraisal Report.
17. Furthermore, Client shall indemnify, defend and hold each of the Indemnified Parties harmless from and against any Damages in connection with (i) any transaction contemplated by this Agreement or in connection with the appraisal or the engagement of or performance of services by any Indemnified Party hereunder, (ii) any Damages claimed by any user or recipient of the Appraisal Report, whether or not an Intended User, (iii) any actual or alleged untrue statement of a material fact, or the actual or alleged failure to state a material fact necessary to make a statement not misleading in light of the circumstances under which it was made with respect to all information furnished to any Indemnified Party or made available to a prospective party to a transaction, or (iv) an actual or alleged violation of applicable law by an Intended User (including, without limitation, securities laws) or the negligent or intentional acts or omissions of an Intended User (including the failure to perform any duty imposed by law); and will reimburse each Indemnified Party for all reasonable fees and expenses (including fees and expenses of counsel) (collectively, "Expenses") as incurred in connection with investigating, preparing, pursuing or defending any threatened or pending claim, action, proceeding or investigation (collectively, "Proceedings") arising therefrom, and regardless of whether such Indemnified Party is a formal party to such Proceeding. Client agrees not to enter into any waiver, release or settlement of any Proceeding (whether or not any Indemnified Party is a formal party to such Proceeding) without the prior written consent of Appraiser (which consent will not be unreasonably withheld or delayed) unless such waiver, release or settlement includes an unconditional release of each Indemnified Party from all liability arising out of such Proceeding.
18. Time Period for Legal Action. Unless the time period is shorter under applicable law, except in connection with paragraphs 16 and 17 above, Appraiser and Client agree that any legal action or lawsuit by one party against the other party or its affiliates, officers, directors, employees, contractors, agents, or other representatives, whether based in contract, warranty, indemnity, negligence, strict liability or other tort or otherwise, relating to (a) this Agreement or the Appraisal Report, (b) any services or appraisals under this Agreement or (c) any acts or conduct relating to such services or appraisals, shall be filed within two (2) years from the date of delivery to Client of the Appraisal Report to which the claims or causes of action in the legal action or lawsuit relate. The time period stated in this section shall not be extended by any incapacity of a party or any delay in the discovery or accrual of the underlying claims, causes of action or damages.

Proposal and Contract for Services

SPECIFIC PROPERTY DATA REQUEST

In order to complete this assignment under the terms outlined, CBRE, Inc., Valuation & Advisory Services, will require the following specific information for the property:

1. PLEASE NOTIFY US IMMEDIATELY IF ANY OTHER CBRE SERVICE LINE (INCLUDING CAPSTONE) IS INVOLVED IN THE BROKERAGE, FINANCING, INVESTMENT OR MANAGEMENT OF THIS ASSET.
Right-click to select data request list

If any of the requested data and information is not available, CBRE, Inc., reserves the right to extend the delivery date by the amount of time it takes to receive the requested information or make other arrangements. Please have the requested information delivered to the following:

Matthew Hummel, MAI, AI-GRS
Director
matt.hummel@cbre.com
CBRE, Inc.
Valuation & Advisory Services
4520 Main Street, Suite 600
Kansas City, Missouri 64111

Addendum C

QUALIFICATIONS

Matt Hummel, MAI, AI-GRS

Director, Kansas City, MO

CBRE



T +1 816.968.5891
M +1 816.304.2519
Matt.Hummel@cbre.com

4520 Main Street
Suite 600
Kansas City, MO 64111

Experience

Matt Hummel, MAI, AI-GRS, is a Director and Practice Leader for the CBRE Valuation & Advisory Services National Affordable Group. Mr. Hummel and his team of experienced and specialized appraisal professionals provide comprehensive valuations on complex real estate. Products and services offered extend beyond real property valuation and include market/feasibility studies, Rent Comparability Studies, consulting services, site inspections and due diligence support.

Mr. Hummel has extensive experience and specializes in performing market feasibility studies, appraisals, and consulting services for a broad cross-section of clients in the low-income housing tax credit industry, including developers, lenders, syndicators and state agencies at the national level. Additional areas of expertise include the valuation and analysis of USDA Rural Development properties and those applying for FHA financing through U.S. Department of Housing and Urban Development's MAP program.

Prior to joining CBRE, Mr. Hummel was a manager at Novogradac & Company LLP.

Professional Affiliations/ Accreditations

Appraisal Institute Designated Member (MAI)

State of Kansas Certified General Real Estate Appraiser No. G-2959
State of Arizona Certified General Real Estate Appraiser No. 1005370
State of California Certified General Real Estate Appraiser No. 3002505
State of Missouri Certified General Real Estate Appraiser No. 2014030618
State of Texas Certified General Real Estate Appraiser No. TX1380146-G
State of Illinois Certified General Real Estate Appraiser No. 553.002534
State of Iowa Certified General Real Estate Appraiser No. CG03581
State of Georgia Certified General Real Estate Appraiser No. 394283
State of New York Certified General Real Estate Appraiser No. 46000053122
State of New Jersey Certified General Real Estate Appraiser No. 42RG00277700
State of South Carolina Certified General Real Estate Appraiser No. 7974
State of North Carolina Certified General Real Estate Appraiser No. A8555
State of Virginia Certified General Real Estate Appraiser No. 4001017803
State of Kentucky Certified General Real Estate Appraiser No. 5566
State of Tennessee Certified General Real Estate Appraiser No. 5994
State of Connecticut Certified General Real Estate Appraiser No. RCG.0002066

Education

Rockhurst University – Kansas City, Missouri

- Master of Business Administration - Concentration in Management and International

University of Missouri-Columbia, Missouri

- Bachelor of Business Administration - Finance and Banking

Speaking Engagements

Mississippi Housing Corporation Panel Speaker
Indiana Housing Corporation Panel Speaker
Washington Housing Conference Panel Speaker

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

MATTHEW ALLEN HUMMEL

394283

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

D. SCOTT MURPHY
Chairperson

JEFF A. LAWSON
Vice Chairperson

JEANMARIE HOLMES
KEITH STONE
WILLIAM A. MURRAY

1643601012033406

MATTHEW ALLEN HUMMEL

394283
Status ACTIVE

END OF RENEWAL
09/30/2022

CERTIFIED GENERAL REAL PROPERTY
APPRAISER

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



LYNN DEMPSEY
Real Estate Commissioner

1643601012033406

MATTHEW ALLEN HUMMEL

394283
Status ACTIVE

END OF RENEWAL
09/30/2022

CERTIFIED GENERAL REAL PROPERTY
APPRAISER

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605



LYNN DEMPSEY
Real Estate Commissioner

1643601012033406

HUMMEL, MATTHEW ALLEN
3822 W 58TH STREET
MISSION, KS 66205

MELISSA BLAKELY, MAI

Vice President, Atlanta

CBRE



T 678.849.4292
Melissa.Blakely@cbre.com

3280 Peachtree Road NE
Suite 1400
Atlanta, GA 30305

Experience

Melissa currently holds the position of Vice President of Valuation and Advisory Services in the Atlanta office of CBRE. Her primary focus is on the valuation of multi-housing properties including affordable housing facilities including LIHTC, Section 8/PBRA, and RAD programs, as well as student housing, and conventional apartment properties.

Prior to joining CBRE, Melissa was in the valuation group at Novogradac & Company, LLP, worked with the Affordable Housing Program at the Federal Home Loan Bank in Atlanta, and worked as a financial analyst for a LIHTC developer in Georgia (Meridian Housing). Melissa received her Bachelors in business management from Georgia Institute of Technology and her MBA in real estate finance from the Emory University. She is a designated member of the Appraisal Institute and certified general real property appraiser in Georgia, Tennessee, South Carolina, North Carolina, Alabama, Mississippi, and Kentucky.

Professional Affiliations / Accreditations

Completed three-hundred hours of specialized education required for Certified General Real Property Appraiser classification. In addition, Melissa has completed all advanced education required for MAI designation, including: Advanced Income Capitalization, Advanced Sales Comparison and Cost Approaches, and Advanced Applications.

Designated Member, (MAI), Certification No. 345527

Certified Property Appraiser in:

- Georgia
- Tennessee
- South Carolina
- North Carolina
- Alabama
- Mississippi
- Kentucky

Education

Emory University, Master of Business Administration, Real Estate Finance

Georgia Institute of Technology, Bachelor of Science, Management

STATE OF GEORGIA REAL ESTATE APPRAISERS BOARD

MELISSA K BLAKELY
345527

IS AUTHORIZED TO TRANSACT BUSINESS IN GEORGIA AS A
CERTIFIED GENERAL REAL PROPERTY APPRAISER

THE PRIVILEGE AND RESPONSIBILITIES OF THIS APPRAISER CLASSIFICATION SHALL CONTINUE IN EFFECT AS LONG AS THE APPRAISER PAYS REQUIRED APPRAISER FEES AND COMPLIES WITH ALL OTHER REQUIREMENTS OF THE OFFICIAL CODE OF GEORGIA ANNOTATED, CHAPTER 43-39-A. THE APPRAISER IS SOLELY RESPONSIBLE FOR THE PAYMENT OF ALL FEES ON A TIMELY BASIS.

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MELISSA K BLAKELY

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Status ACTIVE

**CERTIFIED GENERAL REAL PROPERTY
APPRAISER**

THIS LICENSE EXPIRES IF YOU FAIL TO PAY
RENEWAL FEES OR IF YOU FAIL TO COMPLETE ANY
REQUIRED EDUCATION IN A TIMELY MANNER.

State of Georgia
Real Estate Commission
Suite 1000 - International Tower
229 Peachtree Street, N.E.
Atlanta, GA 30303-1605

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06/16/2011

END OF RENEWAL
03/31/2020



LYNN DEMPSEY
Real Estate Commissioner

20065425

MELISSA K BLAKELY

345527

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